BRITISH COLUMBIA

CROSS COUNTRY SKI AREA STUDY

ECONOMIC & REGIONAL DEVELOPMENT AGREEMENT

Canada

BC

89-01935

ACKNOWLEDGEMENT

This study was funded through the Canada - British Columbia Tourist Industry Development Subsidiary Agreement. The Agreement, which provides a variety of programs for tourism development, is cost shared equally by the governments of Canada and British Columbia. All of the activities undertaken through this Agreement are approved by a federal/provincial Management Committee established for the administration of the Agreement.

The Canada - British Columbia Tourist Industry Development Subsidiary Agreement is one in a series of subsidiary agreements under the Economic and Regional Development Agreement (ERDA) signed in November 1984, between the governments of Canada and British Columbia.

The responsibility for the content of this report is the consultant's alone, and the conclusions reached herein, do not necessarily reflect the opinions of those who assisted during the course of this investigation or the federal and provincial governments which funded the study.

Government of Canada | **Gouvernement du Canada**

Regional Industrial Expansion | **Expansion industrielle régionale**

British Columbia
Ministry of Economic Development

British Columbia
Cross Country Ski Area Study

Prepared for: The Canada - British Columbia Tourist Industry Development Subsidiary Agreement

Prepared by: Nordic Group International
Edmonton, Alberta

in association with Bennett Brown & Associates
Vancouver, British Coumbia

March 30, 1988

EXECUTIVE SUMMARY

With the overall growth of skiing as a major winter tourist industry, there is increasing attention being directed toward the expanding tourism potential offered by the cross country ski sector.

Indeed, with an extimated 1 million cross country ski participants distributed between British Columbia, Alberta and the U.S. Pacific Northwest, the market potential, in terms of skier visits, is quite significant.

In response, this study was initiated to identify and analyze the current and potential cross country ski product available within the province. More specifically, only that product, as provided by commercial or "private" sector operator, was examined.

From a total list of 65 areas in B.C. identified as offering a cross country ski product, a sample of 34 areas was selected for a detailed analysis and comparison with ski areas in primary, competing market regions of Alberta and the U.S. Pacific Northwest.

Conclusions indicate that B.C.'s commercial sector has the capacity for increased skier visits, but at present, there are too few consumers wishing to use it (i.e. only 110,000 recorded commercial skier visits from a total estimated market of over 4 million skier visits). It is assumed that the majority of cross country skiers in B.C. are therefore skiing "free" on public lands or other non-commercial sites, compared to their U.S. counterparts where the majority (75%) prefer skiing at commercial operations.

Contributing to the reason for so few commercial skiers may be the fact that the quality of B.C.'s commercial cross country ski experience varies widely. It is found to be closely associated with other types of tourism operations, including: Alpine areas, Guest Ranches and a category of "Other" areas, including fishing lodges, hotels and municipalities. On a scale of 1 to 10, where "10" represents superior quality of product and service, evaluations of B.C.'s commercial operators indicated that cross country ski product affiliated with "Alpine" areas ranked slightly higher than that provided at "Other" areas or Guest Ranches (6.6 vs 6.4 vs 5.7, respectively).

Results further indicated that 5 out of 8 Economic Development Zones within the province provide the major commercial cross country ski operations. Evaluations of the product, as provided within each of these zones, revealed that Zone 1 and Zone 2 offer the highest value. This concurs with the B.C. Nordic Skier Survey, which concluded that these same zones are among the most popular for cross country skiing in the province.

With respect to overall market growth, it is felt that B.C. commercial areas could easily increase skier visits by 20 to 25%, if the product is improved and marketing efforts increased, particularly in the non-resident, visiting markets of Alberta and U.S. Pacific Northwest.

This would initially return commercial skier levels to those recorded in 1984/85 (i.e. 132.000 - up 22,000 skier visits).

But if product improves and more skiers move to skiing at commercial centres (as witnessed in the U.S. market) and even a modest 5% increase in growth is achieved, this could increase immediate skier visits by more than 50,000 over the next one to two years.

Recommendations for improving the existing product and expanding the potential for new opportunities were identified according to specific "operation" categories, including: development, operations, research and marketing. The following provides the key recommendations for each category.

Development

If B.C. operators are going to compete successfully for an increased share of the cross country skier market, they will have to increase the range and quality of existing product in terms of providing:

- increased skier support facilities (i.e. shelters, huts, warm-up facilities, day lodges and staging facilities);
- increased amenities and services (i.e. hot tubs and child care);
- increased food and beverage service, and
- increased mix of lodging, both on-site and off-site (i.e. cabins, chalets, hotels, condominiums).

Operations

In general, area operators should strive to improve their overall approach to trail grooming and maintenance, and look at obtaining better equipment able to do the job more efficiently and on a daily basis, if required.

In addition, areas should improve their collection and maintenance of marketing and financial records for ease of comparison to industry standards.

Research

Operators in both the Alpine and Guest Ranch segments should be encouraged to identify profitable commercial cross country market opportunities. Detailed research into the realistic ability of such opportunities to economically support the capital investment would be required. In this way, both investor and lender confidence in B.C.'s commercial cross country ski product and its profit potential will be enhanced through investment in well researched, selective opportunities.

Marketing Strategies

Before B.C. areas can effectively market a "commercial cross country ski" product, attempts should be made to more clearly define the "image" of the ski product offered. This image should then be presented more consistently between the various operators.

Attempts should be made to "educate" and market B.C. skiers about the value they are receiving at a commercial ski area. At the same time, public operated facilities should not try to compete in terms of quality and level of service, except in areas where no commercial potential currently exists.

In summary, this study shows that the current British Columbia commercial cross country ski product has opportunity for improvement resulting in increased skier visits and revenue potential.

TABLE OF CONTENTS

		PAGE
1.0	INTRODUCTION	
	1.1 Study Background	1
	1.2 Methodology	2
	1.2.1 Industry Overview	2
	1.2.2 Inventory	3
	1.2.3 Product Analysis	3
	1.2.4 Competition Analysis	3
	1.2.5 Conclusions and Recommendations	4
	1.3 Study Terminology	4
2.0	NORDIC SKI INDUSTRY OVERVIEW	5
	2.1 Canadian Overview	8
	2.1.1 Market Assessment	8
	2.1.2 Canadian Cross Country Area Distribution	10
	2.2 American Overview	13
	2.2.1 Market Assessment	14
	2.2.2 U.S. Cross Country Area Distribution	15
	2.3 Nordic Ski Industry Trends	17
3.0	B.C. SKIER MARKET AND SKI AREA SUPPLY	18
	3.1 B.C. Nordic Ski Market	18
	3.2 Current Supply - B.C. Nordic Ski Product	19
	3.3 A Look At Selected Commercial Operations - Sample Selection	23
	3.4 Survey Results	26
	I Area Description	29
	II Trails and Grooming	30
	III Facilities	30
	IV Marketing and Affiliations	31
	V Visitation and Rates	32
	VI Expansion	33
	VII Financial	33
	3.5 Financial Analysis	33
	3.6 Survey Synopsis	41
4.0	PRODUCT ANALYSIS	44
	4.1 Analysis by Area Affiliation	47
	4.2 Cumulative Product Assessment by Economic Development Zone	50
	Zone 1 - Vancouver Island/Coast	52
	Zone 2 - Lower Mainland/Southwest	52
	Zone 3 - Okanogan	53
	Zone 4 - Kootenay	53
	Zone 5 - Cariboo	53

5.0 COMPETING AREAS ANALYSIS 56
5.1 General Comparisons Between B.C. and the 1985/86 U.S. CCSAA Operations Survey 56
Area Description 58
Trails and Grooming 58
Facilities 59
Marketing 59
Visitation 59
Expansion 59
5.2 Competing Market Area Analysis 60
5.2.1 Alberta 60
5.2.2 U.S. 65
a. Washington 65
b. Oregon 67
c. Montana 67
d. Idaho 68
5.2.3 Summary - Pacific Northwest (PNW) 69

6.0 CONCLUSIONS/RECOMMENDATIONS 73
6.1 Conclusions 73
6.2 Recommendations 77
6.2.1 Devlopment 77
6.2.2 Operations 78
6.2.3 Research 79
6.2.4 Marketing Strategies 79

BIBLIOGRAPHY

APPENDICES

I British Columbia Cross Country Ski Areas Operations Survey

II B.C. Cross Country Ski Study: List of Areas Surveyed

III Cross Country Ski Area Evaluation: Criteria Definitions

List of Figures, Tables and Maps

Page

Figures

2.1 Cross Country Skier Crossover to Selected Sports 6
2.2 Participant Distribution by Region - Canada 9
2.3 Participant Distribution for Selected Canadian Cities 9
3.1 Land for Groomed Trail 30
3.2 Additional Recreation Activities 31
3.3 Base Facility Services Provided 31
3.4 Official Cross Country Area Affiliations 31
3.5 Type of Paid Advertising Used 32

Tables

3.1 Operating Characteristics for Selected B.C. Cross Country Ski Operations 23
3.2 B.C. Commercial Nordic Ski Product Assessment 27
3.3 Revenue Analysis 34
3.4 Expense Analysis 38
4.1 Commercial Cross Country Ski Area Assessment Guidelines 45
4.2 B.C. Cross Country Study- Product Analysis by Area Affiliation 48
4.3 B.C. Cross Country Study - Product Analysis by Economic Zone 51
4.4 Distribution of Survey by Zone 52
4.5 Improvement Requirements (By Zone) 55
5.1 Product Analysis 56
5.2 Destination Area Comparison - Product Analysis by Competing Markets - Alberta 62
5.3 Destination Area Comparison - Product Analysis by Competing Markets - U.S.A. 70
5.4 Competing U.S. Cross Country Ski Areas (1986/87) 72
6.1 Comparison of Competing Areas 76

Maps

2.1 Percentage of Total Regional Inhabitants Who Cross Country Ski 9
2.2 Canadian Nordic Ski Trail Distribution 11
2.3 Percentage of Cross Country Skiers by Region - U.S. 14
3.1 Total B.C. Nordic Product Distribution 21
3.2 Selected Commercial Cross Country Ski Facilities 25
5.1 Competing Nordic Area Analysis 64

B.C. CROSS COUNTRY SKI AREA PRODUCT STUDY

1.0 INTRODUCTION

1.1 STUDY BACKGROUND

Winter skiing has grown to be one of the most significant tourism industries in North America. Although Alpine ski related developments have evolved as the backbone of the industry, recent surveys indicate that Canadian participation in cross country skiing has surpassed that of downhill skiing, particularly for the age groups of eighteen and over (Print Measurement Bureau (PMB), 1985). This suggests some potential for the development of winter tourism.

Numerous ski organizations such as Cross Country Ski Areas of America, Ski Areas America, and the Canada West Ski Areas Associations have recognized the expanding potential of cross country skiing and as a result are increasing attention upon improving and expanding the overall "Nordic" skiing resource base.

In response to this situation, the Canada - British Columbia Tourist Industry Development Subsidiary Agreement initiated this study which focuses upon an identification and analysis of existing and potential Nordic Ski products within the province of British Columbia. More specifically, the scope of this study is to provide a clear understanding of the current organization and volume of commercial cross country ski businesses in British Columbia and to assess the potential for further development given the current market and competitive constraints in Western Canada and the Pacific Northwest.

STUDY OBJECTIVES

The major objectives of this study are to provide:

- an inventory and analysis of the existing operators;
- classification of the types of cross country skiing products currently available;
- an evaluation of the current market shares and an assessment of market potential;
- an identification of appropriate regional target markets;
- an inventory of Western Canadian and Pacific Northwest competitors; and
- recommendations for a provincial development and marketing strategy for the cross country sector.

1.2 METHODOLOGY

This study was completed over a two month time frame, commencing February 1, 1988, and finishing March 31, 1988. This limited the amount of time available for primary research, and as a result, much data was extracted from known reports and studies related to the topic areas. Where possible, secondary data sources were augmented with current information gained through a mail out questionnaire and follow-up telephone survey of selected nordic ski operators within the province. Again, time constraints limited the volume of returns and thus a broad sample of operators was not obtained. In addition, the accuracy of information which was returned could not be verified.

In spite of these limitations, the research data compiled proved to be of significance in supporting the ultimate report conclusions, and as an "overview document" this report indeed satisfies the original study objectives as previously stated.

The approach utilized in meeting the study objectives followed a five phase workplan involving:

- Data collection review,
- Survey of selected areas,
- Tabulations of results,
- Analysis, and
- Conclusion/recommendations.

The following summarizes how this report is organized and gives additional detail as to the steps used.

1.2.1 INDUSTRY OVERVIEW

Analysis commenced from a broad perspective aimed at first outlining the Nordic Ski Industry within North America in general, then in Canada and the United States specifically. Within each geographic context, nordic market characteristics are provided and include participant profiles, general travel characteristics, and statistics revealing growth in participation. Chapter 2.0 provides the results from this initial study phase.

1.2.2 INVENTORY

The second phase, Chapter 3, involved an identification and subsequent analysis of the current market and supply of cross country facilities and areas within British Columbia.

Travel brochures, tourism guides, directories and recent studies served as the basis to identify existing resources. A comprehensive questionnaire was distributed to a cross section of operators (Appendix 1). The survey was followed up with in-depth telephone interviews. Predetermined criteria (as provided within the terms of reference for this study) were then utilized to categorize the various commercial facilities (ie: size, nature of operations, amenities and markets served). Chapter 3 identifies and classifies the cross country products currently operating in British Columbia.

1.2.3. PRODUCT ANALYSIS

In the third phase, the consultant evaluated the sample of nordic ski operations/facilities through the application of performance criteria comparable to those used elsewhere in North America.

The analysis, contained in Chapter 4, is supported graphically through a matrix approach which highlights opportunities and constraints effecting the provision of commercial cross country ski operations in British Columbia.

1.2.4. COMPETITION ANALYSIS

Important to the study was a determination of the effectiveness with which British Columbia ski operations compete with other areas which share the same markets. The results of this comparative analysis are presented in Chapter 5.

1.2.5. CONCLUSIONS AND RECOMMENDATIONS

Chapter 6 of this report provides a summary of the major findings which effect the current supply of commercial ski operations in British Columbia. Also included are strategy recommendations aimed at improving both the continued development and the marketing of the cross country ski product within British Columbia.

1.3 STUDY TERMINOLOGY

The use of the term "cross country skiing" is often inappropriately applied by skiers and ski area operators causing confusion and misrepresentation within the industry. For clarity and consistency throughout this report, the following definitions currently endorsed by the ski industry are provided:

- **Nordic skiing** - an all-inclusive term including cross country skiing, ski touring, biathalon, ski jumping, and descent technique ("telemark" skiing, etc.) using free heeled boots and bindings with lighter weight skis than alpine skiing.
- **Cross country skiing** - refers to skiing on machine-set "track" for diagonal stride, or on vehicle and implement compacted trails that are ski-"skated." Because the majority of participants fall into the "cross country " category, most references about the sport use the term "cross country skiing" even though the term "nordic skiing" would be more appropriate.
- **Ski touring** - can be equated with **off-track** skiing involving short tours; day long trips; or overnight trips using huts, yurts, tents, igloos or snow caves for overnight lodging.
- **Groomed trails** - refers to the result of condition and compressing snow by machine, to form a solid, consistent base to support skiers. Groomed trails are used by both diagonal striders and skaters.
- **Track-set trails** - machine grooming that incises precise grooves into the snow for use with the classical diagonal stride technique, accompanied by compaction to both sides for pole plant; customarily complemented by marking and signing systems to produce what has been termed "the secure wilderness experience."
- **Skating** - a recently introduced technique involving an ice skating-like motion of both skis and poles, thrusting out to the side (as opposed to the traditional movement of diagonal stride). Skating requires a smooth and compacted surface.

Over the past two decades, the character and popularity of nordic skiing have changed dramatically. The sport and business are still evolving. Cross Country skiing, particularly in its recreational rather than competitive facets, provides the current catalyst for growth of interest in both Canada and the United States.

2.0 NORDIC SKI INDUSTRY OVERVIEW

Since the early 1970's, Nordic skiing has developed from its simple, backwoods image with limited market appeal into a highly visible sport which attracts a wide range of participants from youth to seniors.

Both as cause and consequence of this growth, the nature of cross country skiing has become increasingly complex at the same moment that it is evolving.

Whereas in 1970 nordic skiing was associated with day-touring and snowcamping, it now includes telemarking, at lift-served sites and in the back-country; recreational and international level racing on machine groomed and trackset trails; and in recent years has included the phenomenal new recreational and competitive interest in "skating", which provides skiers with an alternative to the traditional diagonal stride technique.

There are a variety of reasons why nordic skiing has established itself as an attractive and popular sport in North America. Some are related to general societal changes and other to lifestyle changes in specific population segments. However, to a large degree, cross country skiing is currently profiting from a continuing "high media profile".

In addition, there are now many entities with a vested interest in the future of nordic skiing, including: dozens of equipment suppliers, snowcat/ trail grooming manufacturers, clothing designers, retailers, race and event sponsors, writers, tour operators, transport companies, and marketing and consulting firms.

A review of secondary data provides a number of reasons for the growing popularity of nordic skiing in North America:

- Aging national populations. Cross country can be enjoyed by people well into their sixties and older.
- The fitness trend. As an optimum cardio-vascular exercise, cross country molds nicely into the lasting North American fascination with exercise, "wellness," and self preservation.
- Its reputation as an ideal family sport.
- Media recognition. The press is now better informed and giving more accurate coverage to cross country in publications as diverse as **The Canadian Home Journal** and **The New York Times**.
- Intriguing visual evolution, from techniques (skating) to ski graphics and cut of clothing.

- Its diversity of appeal, offering the benefits of exercise and the pleasures of comraderie; the exhilaration of speed and gracefulness of movement.
- Perceived better value for the dollar than in the past, stemming from improved ski area operations and quality and rising alpine ski costs.

In terms of general market characteristics, a common profile of the cross country skier in North America comprises the following:

- almost evenly split 50/50, male/female participation;
- most participants fall into the 25 to 50 years of age bracket, with a growing segment over 55 years of age;
- generally, have a higher level of education (i.e. university or college);
- a majority are married with families; and
- cross country skiers generally earn above average salaries ($35,000+ CDN).

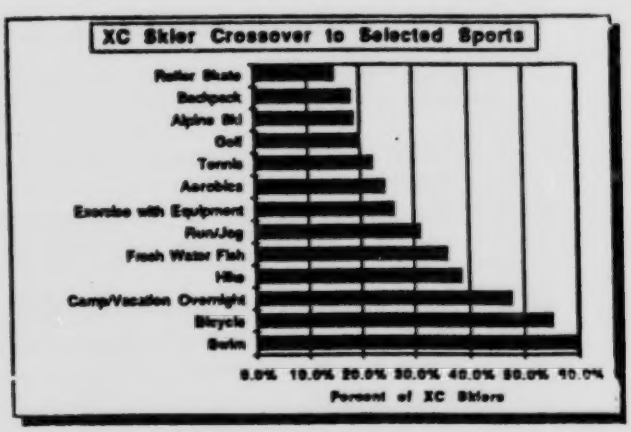
Motives for nordic skiing are mixed, but certain general patterns are clear (Fry, 1984; Knopp, 1981; PMB, 1985):

- Primary reasons for participating in nordic skiing are not just exercise but also aesthetics.
- Cross country is a strongly social sport. Average size of party is 2.8 persons.
- Male participants tend to ski more for the exercise, while females tend to enjoy the more contemplative aspects of the sport.

Contrary to general industry opinion, user surveys indicate nordic skiers are quite willing to travel appreciable distances (i.e. >150 km) to enjoy their sport (NSGA, 1986). It seems probable that many skiers who choose not to take multi-day cross country ski vacations may act in this fashion because they are not aware of or, there is no site sufficiently desirable and "visible."

Finally, nordic skiers tend to be physically and intellectually active people who enjoy a variety of complementary recreational activities as shown in Figure 2.1 (NSGA, 1986). Multi-season operations such as guest ranches have proven that winter visitors are likely summer clients and vice versa (CCSAA, 1987).

Figure 2.1



Ski Areas

Cross country ski area operations have only really come to the fore in the 1980's. In spite of dependence on natural snow fall, persistent skier growth and technological advances in ski equipment, clothing and grooming has prompted the development of some sophisticated nordic facilities.

The Cross Country Ski Areas of America **Annual Survey of Cross Country Ski Operators in the U. S.**[1] has found that during the 1970's and early 1980's most areas were started by people who viewed themselves primarily as skiers rather than managers. Alternatively, managers have frequently been inn-keepers, alpine area operators, or golf pros rather than nordic ski specialists.

Initally, cross country skiing was primarily viewed as a day-use activity requiring little or no infrastructure to accommodate large numbers of users. Now, weekend crowds and destination skiers are seeking special ski retreats to get away from crowded, urban trails to open, uncrowded, quality set track on a diversity of terrain.

As more ski areas develop, there appears to be increasing competition between the public and private sector and the role each plays in meeting cross country skier demands.

There are distinct differences between various ski operations depending on the level of services and facilities provided and the number of clientele expected. Most can be classified as:

- Destination Sites: offer special "packages" providing hearty to gourmet meals, rustic to luxurious settings, beautiful scenery, peace and quiet and quality track skiing. Often are further than 100 km from primary market area.
- Day-use Areas: may offer bare essentials; a parking area, some trails, maybe a shelter or concession. Generally are locally based and are less than 50 km from primary market.

To understand the growth of cross-country skiing, which is unquestionably the dominant force in nordic skiing today, it may help to conceive of it as analogous to alpine skiing.

1. Cross Country Ski Areas of America/Ski Industries America, "Cross Country Ski Area Operations Survey - 1985-86", prepared by Nordic Group International, Jackson Hole, Wyoming, 1987.

To follow the analogy, one might ask how many downhill skiers there would be today without what may be termed "the resort concept" - lifts and lodges, snowmaking and ski school, parking and promotion, stylish clothing and media hype. Similarly, successful cross country areas today depend upon far more than trails. They are in many ways becoming similar to alpine ski areas, only in most cases to a smaller scale (NGSA, 1985).

In order to provide a more detailed picture of the North American nordic ski market, which ultimately has direct implications for B.C.'s ski areas regarding the size, scope and scale of operations and market potential, individual overviews of the Canadian and American cross country industries are given below.

2.1 CANADIAN OVERVIEW

The ski industry in Canada finds its roots at the turn of the century when Scandinavian immigrants introduced the early form of cross country skiing - heavy wooden skis with primitive "toe-hold" straps as bindings. People literally travelled "cross country" breaking their own trail, as facilities were primitive compared to today.

By the 1930's, nordic skiing attracted the most interest and participation of winter activities. However, with the advent of lift technology in the late thirties, alpine (downhill) skiing began to flourish. This trend increased with the development of more sophisticated lifts and eventually in the 1960's the destination alpine ski resort.

It was only in the 1970's that cross country skiing re-emerged and began gaining popularity.

2.1.1 Market Assessment

Participation in nordic skiing in Canada has outpaced that in alpine skiing since the late seventies. Today, there are an estimated 4.7 million cross country skiers (18 and older) compared to 3.47 million (12 and older) alpine skiers (PMB, 1985).

General particaption in nordic skiing has grown from 78/1000 in 1976 to 262/1000 by 1985 (PMB 1985).

With regard to equipment ownership, 17% of households own alpine skis, whereas 26% own cross country equipment. Between 1978 and 1985, ownership of cross country equipment increased by 80%; ownership of alpine equipment increased by only 44% (NSIA, 1986).

Quebec and Ontario account for the greatest number of Canada's cross country skiers, 41% and 34% respectively. The west, including Alberta and B.C., represents 15% of total cross country skiers (see Map 2.1).

Almost 60% of the nordic skiers live in cities of 100,000 or more.

Figures 2.2 and 2.3 illustrate the estimated numbers of participants and distribution by region and selected cities in Canada.

Apart from general profile characteristics (sex, age, etc.) of the cross country skier generated by Statistics Canada and the Print Measurement Bureau, other more tourism-oriented research is uncovering some surprising facts about the Canadian nordic skier.

Map 2.1

Figure 2.2

Participants by Region - Canada

Atlantic	188,000
Quebec	1,927,000
Ontario	1,598,000
Manitoba/Sask.	282,000
Alberta	376,000
B.C.	329,000

Figure 2.3

Participants by Selected Cities

Ottawa-Hull	170,000
Toronto	450,000
Sault Ste. Marie	16,200
Edmonton	130,000
Vancouver	225,000

A 1982 Canadian Travel Survey indicated that 723,000 overnight household trips involved cross country skiing as the primary activity. Eighty percent of these trips were made on weekends, with the average distance from home being 221 km and having a trip duration of 2.9 nights. Average expenditures for a household on an overnight trip was $190 Canadian, while individuals spent $111 Canadian.

By comparison, alpine skiers tend to travel farther, spend more (i.e. household overnight - $243, individual overnight - $156) but participate in fewer overnight trips (Tourism Canada, 1983).

The Province of Quebec generates the largest market for both day use trips (<80 km) and overnight trips (>80 km). Both Quebec and Alberta residents are among the most active travelers in terms of participation in both cross country and alpine skiing. Ontario residents tend to favour cross country ski-related travel while British Columbia residents expressed greater interest in alpine skiing (Tourism Canada, 1983).

2.1.2 Canadian Cross Country Area Distribution

The opportunities for cross country skiing are provided by a wide range of public sector agencies, non-profit associations and clubs as well as private sector operators.

As identified in various provincial tourism brochures and ski area guides the list of ski areas includes representation of the following:

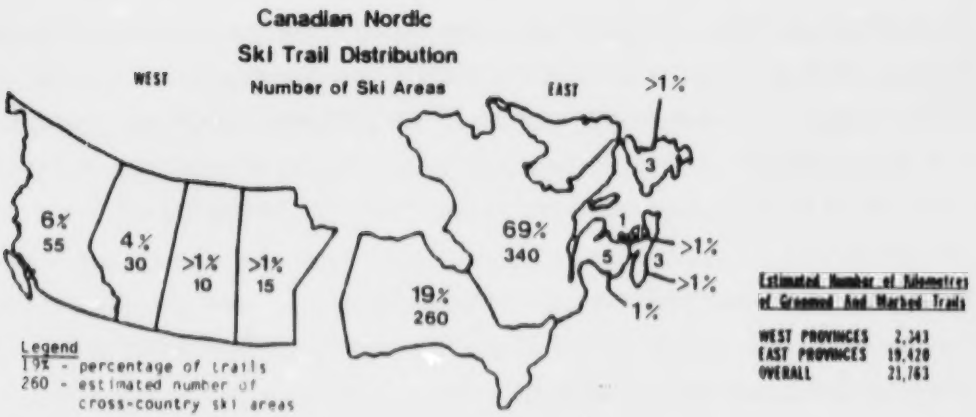
- Public Areas: operated by: Provincial Parks
  Provincial Forest Service
  Provincial Conservation Authorities
  operated by: National Parks
  operated by: Non-profit Agencies (i.e. Ski Clubs)
- Private Areas representing: Alpine Ski Resorts with cross country skiing facilities
  Year Round Resorts (multi-use)
  Specific cross country ski-oriented resorts
  Day Use Areas

A recent study focusing on the Canadian ski industry suggests there are over 700 areas that offer cross country skiing (NSIA, 1986).

Our research suggests however, that this list does not take into account additional municipal trail areas which are generally informally developed and are not operated by a recognized ski operator.

In total, these areas provide over 21,000 km of groomed and marked trails.
Map 2.2 illustrates the distribution of these ski area trails across Canada.

Map 2.2



On average, each ski area offers approximately 30 km of trail. This figure compares favourably to survey results obtained in the U.S. (CCSAA, 1987).

Quebec accounts for approximately 340 (47%) of these areas and supplies almost 15,000 km (69%) of ski trails. B.C., by comparison, offers almost 8% of the total areas and 6% of the total trails, placing it third behind Quebec and Ontario for the provision of cross country product within Canada.

A note of caution is added here in an attempt to qualify these statistics. Because there are no regulated standards for ski trail design or even measuring the length of trails, the actual length and quality of trail provided could fluctuate widely. It should be noted that the responsibility and provision of cross country ski facilities varies from province to province.

In Quebec, for instance, the private sector plays a major role in providing the "infrastructure" (i.e. accommodation, food and beverage) while the municipal and local governments take responsibility for trail development and upkeep. Generally no trail fee exists. However, some of the larger alpine resorts (i.e. Mt. Ste Anne) are developing their own cross country facilities and charging a nominal trail fee. Government agencies also contribute significant trail facilities such as the National Capital Commission in Ottawa-Hull which provides over 200 km of groomed, marked cross country trails (with no trail fee) in Gatineau Park (Quebec).

In Ontario, numerous government departments, including the Ministry of Natural Resources, the Conservation Authorities and local areas, provide the trails. However, there are several noted private sector operators including one of the top six rated cross country ski centres in North America - Stokely Creek, near Sault Ste Marie (Cross Country Skier Magazine, 1987). There is also a trend of "resort areas", such as in the Haliburton district two hours north of Toronto, of joining together to share in the provision and upkeep of integrated nordic ski trail systems that link up to the various hotels and lodges (Haliburton Nordic Trails Foundation).

The prairie provinces of Manitoba and Saskatchewan account for very few cross country ski areas and facilities. This is likely related to limited population, distance from most markets, lack of terrain and uncertain snow conditions.

The main providers of nordic ski trails in these provinces appears to be Canada's National Parks Service. Although relatively distant from major markets as Winnipeg or Saskatoon, Riding Mountain National Park in Manitoba and Prince Albert National Park in Saskatchewan, represent significant and increasingly popular cross country ski destinations. Accommodations and services are generally provided on a private basis outside the boundaries of the parks.

In Alberta, the majority of cross country ski areas are provided by three major government agencies: Alberta Recreation and Parks, Alberta Forestry, and Parks Canada, in such locations as Banff, Jasper and Elk Island National Parks. Alberta Recreation and Parks provides the premier ski trail network in the province in Kananaskis Country, west of Calgary, and at the recently developed Olympic Nordic Ski Centre in Canmore (refer to Chapter 5.0 - Competing Areas Analysis).

However, this extensive government involvement which also excludes trail user fees has almost completely eliminated any significant private sector development.

In British Columbia, the distribution of ski areas appears more balanced with a good mix of private sector and public agency involvement. There is an increasing trend in the province that encourages private sector operation and management of ski trails developed on public lands.

A more detailed assessment of the distribution of nordic ski areas in B.C. is provided in the following chapter.

2.2 AMERICAN OVERVIEW

Skiing in the United States followed a simiar growth pattern as that in Canada. In the early 1900's, skiers were already challenging the slopes of Mt. Greylock in western Massachusetts, the highest mountain in that state, and now, almost 80 years later, it is the site of a proposed $260 million, four season destination resort focussing on cross country skiing (Heritage-Greylock).

The more business oriented approach to skiing appears to have started at Lake Placid, NY, in 1905 when it was chosen for the III Winter Olympics. Although skiing was not a recognized Olympic activity at that time, the developers included it in their program of activities in order to give their site maximum winter use potential (NSIA, 1986). In doing so, the concept of expanded facilities and ski market base for ski area development is thought to have originated (Scharf, 1974).

The development of major destination ski areas such as Aspen and Vail, Colorado, did not evolve until lift technology advanced in the early sixties. By the late sixties, apline skiing was the dominant winter activity of choice.

As in Canada, however, cross country skiing re-emerged in popularity in the seventies and although the numbers of cross country skiers do not exceed those in alpine, as in Canada, the development of the sport has gained credibility as a legitimate winter tourism opportunity.

2.2.1 Market Assessment

Total U.S. participation in cross country skiing is estimated to be between 4.9 million (SIA, 1985) and 5.5 million (NSGA, 1985).

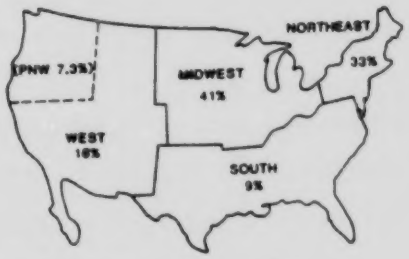
Map 2.3 presents an approximate regional distribution of this market indicating that the Midwestern States account for the greatest number of participants (i.e. 41%).

The Western States, which represent a key market area for B.C., account for 16% of the total skier market, or approximately 830,000 skiers.

The more immediate target market areas for B.C. including the states of Washington, Oregon, Idaho and Montana, account for only 7.3% of participants (or an estimated 372,227 skiers).

If California is included, an additional 255,000 skier market is available.

Map 2.3



PERCENTAGE CROSS COUNTRY SKIERS BY REGION (NSGA, 1986)

Cross Country Skiers By Region - U.S.

Northeast	1,500,000
North Central	2,000,000
South	250,000
West	1,200,000
By State	
Michigan	670,000
Minnesota	500,000
Wisconsin	550,000

(NSGA. 1986)

The typical American cross country skier can be summarized as being: equally divided by sex; significant numbers in the over 35 year age group (46%); have generally higher education levels (67% having at least college degrees); come from more professional/managerial occupations (45%) and have higher incomes (54% greater than $35,000) than the average citizen who does not ski. The median household income level of cross country skiers from the readership survey was $43,670. This figure is substantially higher than in Canada.

The NGSA (1985) survey indicates that the most popular type of recreation activities in which U.S. nordic skiers participate are: swimming, cycling, camping, hiking and golf. This is of significance, since all these activities are very complementary from a year round resort operation perspective. If provided, such an area could attract more visitors.

Recent surveys confirm a trend similar to that of the Canadian cross country skier, that in fact, a majority of nordic skiers will travel over 160 km to reach a ski centre (CCSAA, 1987; SAM, 1985).

The majority of nordic skiers (80%) planned 7 weeks or more in advance for their nordic ski vacation.

75% of nordic skiers surveyed in North Eastern U.S. prefer skiing at commercially operated nordic ski centres compared to 22% in the west, and 50% in the Midwest (SAM, 1986). More recent research indicates that almost 80% of nordic skiers are skiing at commercial operations, of which 53% are direct cross country areas, while 25% are cross country operations affiliated with alpine ski areas (Cross Country Skier, 1988).

2.2.2 U.S. Cross Country Ski Area Distribution

The provision of cross country ski areas and facilities in the U.S. is much more private sector oriented than in Canada.

There are over 900 commercial ski operations in the U.S. of every size and scale, from small family operated "country inns" found in New England catering to under 1000 skier visits per year, up to large, full-service, professionally managed ski centres, like Royal Gorge Resort in California, which attracted over 95,000 paid cross country skier visits in 1987 (personal communications).

The growing complexities of successfully developing and operating commercial ski centres prompted the establishment of an operator's association in the mid-seventies. Today, this organization, known as Cross Country Ski Areas of America (CCSAA), represents over 200 ski areas and works at setting industry standards and maximizing the promotion of member areas.

The distribution of ski areas is greatest in the Northeastern United States. Although the actual cross country participation is not as high as in the Midwest, the overall region represents the greatest number of people (i.e. over 60 million). Hence, there is obvious incentive to provide a successful product that can eventually tap into this market and increase total skier participation and visits.

As in Canada, government agencies in the U.S. also provide opportunities for cross country skiing. Agencies, including the U.S. Forest Service, U.S. National Park Service, and various state-level departments, offer a diversified range of product.

The western U.S. accounts for the majority of available public land for cross country skiing.

There is an increased tendency in the U.S. however, for the government agencies to lease the operation of trail facilities out to the private sector on a fee basis.

Another observation regarding the distribution of cross country ski areas in the U.S. is that many private sector areas, particularly in specific regions, are joining together in the provision of trails and facilities and in joint regional promotion of their areas (i.e. Jackson Touring Foundation, NH; Jackson Hole (WY) Nordic Skiing Association; Colorado Cross Country Ski Area Association).

Results from the annual survey of cross country ski area operators prepared for CCSAA indicate that the majority of competition for commercial operators comes from publically provided trails in nearby towns and cities (CCSAA, 1988).

Other characteristics of U.S. commercial ski areas, as obtained from the 1985-86 Ski Area Survey include:

- majority of areas (45%) are day-use
- average number of total annual ski visits - 6,127
- average number of skier visits/day - 31
- skier origin
  - 49% from 160 km+ distance
  - 25% from 80 - 160 km
  - 10 % from 40 - 80 km
  - 16 % from 0 - 40 km
- average length of machine set track available - 25 km
- 25% of areas offer lighted trails
- majority of areas (66%) are profit oriented, while 34% use cross country as a loss leader for business development
- average revenue per skier visit - $10 U.S.

Of particular interest is the fact that a large percentage (39%) of cross country ski operations are affiliated directly with alpine ski areas (CCSAA, 1987). Of significance to the alpine sector, at a recent ski industry meeting, one alpine area operator from a major alpine ski area suggested that "by 1990, most winter (alpine) destination areas having suitable access, terrain and snowfall will not be able to compete or remain viable without the addition of a quality cross country ski component" (Wally Huffman, Sun Valley Ski Resort, ID, 1986).

2.3 NORDIC SKI INDUSTRY TRENDS

From the preceding assessment of North America's nordic ski industry, several conclusions regarding trends in the market place and in ski area operations can be drawn:

Market

- Cross country skiers, particularly in Canada, represent a larger market base than alpine skiers.
- The cross country skier market across North America is proving to be highly diversified (in terms of age groups attracted), highly segmented (in terms of type of skiing) and still evolving (in terms of growth and media awareness about the sport) compared to the alpine market which appears to be more defined and in the last few years has seen only static growth (Goeldner, 1987).
- Cross country skier profiles indicate a higher educated and income earner, and generally an older person (i.e. >35) which might account for why cross country skiers are becoming more sophisticated, particularly in the U.S., in their demands for quality facilities and tracks, and are willing to pay for the experience (CCSAA, 1987).
- As the number of skiers increase, there will be increasing demand for greater number and variety of areas to ski at ranging from; city trails to provincial and national parks to commercially operated ski resorts.

Ski Area Operations

- Total length of trail available is not as important in attracting skiers as is MIX of trail and quality of tracks and grooming (CCSAA, 1987).
- Skiers are becoming more conscious of quality of ski trails and ski facilities which when provided encourage higher levels of use. Areas offering rudimentary levels of facilities will not see any significant growth in use (CCSAA, 1987).
- Ski areas offering a full-range of services and facilities can generally attract a wider mix of the ski market, hence can work towards increasing total skier visit more effectively than areas providing limited services and amenities.

3.0 B.C. SKIER MARKET AND SKI AREA SUPPLY

3.1 B.C. NORDIC SKI MARKET

As previously stated, national surveys (PMB) indicate that B.C. accounts for 7% of Canada's estimated cross country skier population.

This translates into a B.C. total of over 325,000 participants. Almost 50% of this population, estimated at 155,000 participants, reside in Vancouver and the Lower Mainland.

B.C.'s bi-annual Nordic Skier Survey (Ministry of Economic Development, 1985/86) has aided in the development of a B.C. nordic skier profile. Although the survey undertaken is not province-wide and was restricted to only six "commercial" cross country ski resorts, samples were chosen to represent resident skiers throughout B.C. and non-resident skiers visiting the province.

The following highlights some of the major characteristics of the B.C. skier:

- almost 50/50, male/female split (49%/51%, comparable to the rest of Canada)
- majority of participants (49%) are in the 40 and over age range (slightly higher percentage than the rest of Canada)
- majority (63%) are married
- above average incomes with the majority (26%) in the $35,000 - $49,000 bracket
- majority (44%) graduated from college/university

The overall profile of this representative B.C. sample corresponds closely to other skier profiles across Canada and the United States.

In terms of travel characterisitics, the B.C. survey found that:

- 66% of skiers take at least one overnight (skiing) trip a year
- the average overnight trip will be for 3 -4 days
- most prefer to stay in lodges or chalets

Within skier participation patterns, there are some key differences with other skier profiles:

- generally the B.C. skier has a higher rate of participation (12.85 days per year) than the national average (9.6 days per year)
- the majority of participants (70%) use a day pass
- only 10% take lessons
- over 94% of skiers surveyed originated in B.C. with 55% from Vancouver

- Washington state accounted for the major portion of non-resident participation (3%)

In projecting total skier visits, these figures are of interest. Potentially, B.C. could account for an estimated 4.5 million total skier visits (12.85 X 355,000) from its own population.

The Annual Area Operating Statements compiled by the Ministry of Economic Development, estimated that there were only 110,000 "commercial" cross country ski visits.

This suggests that the majority of B.C.'s nordic skiers do not ski at commercial areas.

Reasons for this hypothesis can be related to a number of factors, many of which correspond to similar results in other skier surveys, including:

- distribution of ski areas and access to them within the province
- competition between public and private sector operations
- how the sport is portrayed by the media
- marketing and development of commercial ski areas that attract skiers and meet their demands

The B.C. Nordic Survey (1985/86) indicates that skiers are generally more satisfied with area personnel than with the facilities and services. In addition, skiers felt a need for an overall improvement in facilities and services particularly related to providing more terrain, better grooming and amenities like hot tubs and saunas.

Given trends observed in the U.S. however, such as in the Northeast, where the majority of skiers are seeking commercial cross country ski centres, one might extrapolate that as product improves in B.C. a larger percent of B.C.'s market might also seek out commercial centres.

3.2 CURRENT SUPPLY - B.C. NORDIC SKI PRODUCT

The provision of cross country ski areas within British Columbia is spread amongst a number of entities including:

- B.C. Provincial Parks
- B.C. Forestry
- Private operators (approximately 55)
- Non-profit ski clubs/associations (approximately 39)
- municipalities

Map 3.1 provides a graphic representation of the approximate distribution of ski areas within the province. This map also identifies the 8 Economic Development Zones within the province. These zones have been designated in order to facilitate development based on economic opportunities and constraints within geographic regions sharing common characteristics.

The concentration of ski areas strongly relates to the poximity where the majority of the market exists - the Lower Mainland and Okanagon-Thompson regions. These regions also account for the greatest distribution of commercially operated facilities.

The Lower Mainland areas capture between 40 and 50% of the skier visits and one in particular, Cypress/Hollyburn, just outside of Vancouver, accounts for nearly 1/3 of all reported cross country skier visits in the province.

B.C.'s current annual **SKI WITH US** Guide identifies 55 areas providing "cross country skiing" facilities and opportunities.

These areas are loosely categorized according to their affiliation, for example:

- alpine affiliated - where a designated alpine ski area offers and maintains cross country ski trails and services
- cross country affiliated - where the major orientation for winter revenue comes primarily from cross country skiing.

It should be noted however that under this category, no single area could be classified specifically as a cross country ski resort. Instead, areas listed under the cross country category are more directly affiliated with other types of resort or facility operations including: guest ranches, fishing lodges, and hot spring resorts. Cross country skiing is seen to be the primary winter attraction at these areas.

Surveys reveal that there are only a few "pure" cross country ski resorts in North America that exist solely on the basis of cross country (i.e. Royal Gorge Resort, CA). Most are generally affiliated with other types of recreation opportunity providing year round use, where possible.

LEGEND:

ECONOMIC DEVELOPMENT REGIONS

1. VANCOUVER ISLAND/COAST
2. LOWER MAINLAND/SOUTHWEST
3. OKANAGAN
4. KOOTENAY
5. CARIBOO
6. NORTH COAST
7. MECHAKO
8. PEACE RIVER

- ALPINE AFFILIATED
- GUEST RANCHES
- OTHER COMMERCIAL (FISHING LODGES, MOTELS, ETC.)
- (P) PROVINCIAL PARKS
- CLUB/ASSOCIATION OPERATIONS (39 OVERALL TOTAL)

[illegible] ECONOMIC & REGIONAL DEVELOPMENT AGREEMENT

Canada BC

NordicGroupInternational

TOTAL B.C. NORDIC PRODUCT DISTRIBUTION

MAP 1

In addition to the 55 commercial areas offering cross country skiing as listed in the **SKI WITH US** Guide, a further 10 guest ranches, not listed but providing cross country, were identified in a recent study of that industry. This sets the total number of commercially-oriented cross country ski areas in the province at around 65.

Although government agencies play a major role in the provision of trails, current trends indicate that in many cases, private sector operators are being sought to operate and maintain the ski trails on public lands on a lease basis.

Provincial parks, including Cypress/Hollyburn (Vancouver) and Stake Lake (Kamloops), are typical of areas that have been developed by the public sector and are now operated by the private sector.

In total, approximately 39 non-profit ski clubs and local associations also provide areas for cross country skiing; often on public lands. There appears to be some correlation that in areas or communities distant from major markets, the provision of ski trails is more likely to be provided by a ski club or public sector agency.

In terms of economic impact, statistics obtained from the B.C. Annual Operating Survey - 1986/87 of selected commercial ski operations, indicate approximately $1,160,000 generated from 109,651 (rounded up to 110,000) commercial skier visits (Table 3.1).

This sector of British Columbia's skiing industry continues to organize and elevate its relatively new product - commercial cross country skiing.

Over the past three seasons, a core group of operators who provide set track, charge trail fee, rent skis and operate other retail sevices, including food, beverage and accommodation, have participated in the end of season survey. Comparable statistics from past seasons demonstrate the size and significance of cross country skiing to British Columbia's tourism. These figures deal only with commercial operations and do not reflect the frequent number of club and society organizations who provide cross country ski trails throughout British Columbia. Nordic skiing in British Columbia is a much larger activity than shown by these statistics. However, these figures represent only the 14 major commercial interests.

Table 3.1
Operating Characteristics For Selected B.C. Cross Country Ski Operations

	1984/85	1985/86	1986/87
Skier Visits	132,886	126,488	109,651
Gross Revenue	$985,450	$1,125,441	$1,160,008
Revenue/Skier	$7.42	$8.90	$10.50
Season	126	114	120
# of Beds	2,264	1,818	2,014
Occupancy (%)	-	48	49
Market Origins			
B.C. (%)	85.2	87.4	88.3
Other Canada (%)	6.8	8.0	4.9
International (%)	8.0	4.6	6.8

(B.C. Ministry of Economic Development, 1987)

The market share for skier visits has increased to more British Columbia residents and more international guests with a reduction in visitors from other parts of Canada. The current distribution is now 88.3% from British Columbia, 4.9% from the rest of Canada, and 6.8% from outside of Canada. These estimates were provided by the ski area operators to the Ministry of Economic Development, 1987.

The following section details the selection of a representative sample of commercial cross country ski areas in the province and provides a more in-depth review of their operations.

3.3 A LOOK AT SELECTED COMMERCIAL OPERATIONS - SAMPLE SELECTION

The main focus of this study is to provide a review and analysis of commercial cross country ski area operations in the province by means of a detailed survey.

However, because one area can differ dramatically from another in size and scale of operation and quality of facility, criteria was established in order to select a representative sample from the total number of commercial areas identified in the province.

To be included in the survey, areas had to be "tourist oriented" as defined by the Ministry of Tourism, Recreation and Culture. Generally, this means that the area would have overnight accommodation available (preferably on-site) and be destination oriented with its marketing program.

Additional parameters were identified to help define the legitimacy of the cross country component. These criteria included:

- a minimum of 25 km. of groomed and track set trails
- ski school
- ski rental/retail
- other amenities including sauna, hot tubs, etc.

Employing these criteria, it was possible to arrive at an initial "short list" of 25 areas out of the 55 identified in the **SKI WITH US** guide as offering cross country skiing.

This list was then modified and expanded to include additional survey candidates who had suggested in the recent **Guest Ranches of British Columbia** study (1987) that they offered cross country skiing within the scope of the definitions provided above.

A final sample of 34 areas was selected. They are identified in Appendix II.

Although an initial response rate of 32 respondents was achieved on the survey, the lack of detail of some of the returns and no response from others contributed to eliminating 11 areas from the sample.

This left a sample of 21 respondents (60% return rate) that were analyzed to assess the current level and quality of commercial cross country ski operations available in B.C. The location and distribution of those areas surveyed are identified on Map 3.2.

The 21 areas selected were easily classified according to their **primary affiliation** and comprise the following:

- 8 alpine affiliated
- 6 guest ranch affiliated
- 7 "other"

LEGEND:

ECONOMIC DEVELOPMENT REGIONS

1. VANCOUVER ISLAND/COAST
2. LOWER MAINLAND/SOUTHWEST
3. OKANAGAN
4. KOOTENAY
5. CARIBOO
6. NORTH COAST
7. NECHAKO
8. PEACE RIVER

ALPINE AFFILIATED
GUEST RANCHES
OTHER COMMERCIAL
(FISHING LODGES, MOTELS, ETC.)

ECONOMIC & REGIONAL DEVELOPMENT AGREEMENT
Canada BC

SELECTED COMMERCIAL
X-C SKI FACILITIES
MAP 2

NordicGroupInternational

Since there were no "pure" cross country ski areas reporting, the "other" category represents those areas including: fishing lodges, motels/hotels, and municipalities.
In addition, the map illustrates how the sample is distributed within the 8 Economic Development Zones. Only 5 of the 8 zones are represented.

3.4 SURVEY RESULTS

The primary purpose of this survey was to obtain base level information regarding the status of selected commercial cross country ski operations in British Columbia.

With this information, an analysis of the ski product can identify opportunities and constraints affecting the industry. It also provides a basis for comparing B.C.'s ski areas with major competing regions (Alberta and the U.S. Pacific Northwest).

It should be noted that results relate only to those sites responding to the survey and do not give a statistically valid representation of the provision of cross country skiing for the province as a whole. Results should be considered a general overview of existing conditions rather than a complete detailed analysis. With a larger sample size, a more accurate representation of the B.C. nordic ski product could be developed in the future.

The questionnaire developed to survey the selected areas was divided into seven sections corresponding to categories used in the annual **Cross Country Ski Area Operations Survey** completed by Nordic Group for Cross Country Ski Areas of America. Using similar groupings facilitates comparisons between the B.C. product and competing market areas, particularly in the U.S.A. A sample of the questionnaire is in Appendix I.

The overall tabulated results of the key questions are presented on Table 3.2. The results are set up in order to compare the provision of cross country skiing as provided amongst the three main categories of operators.

TABLE 3.2
B.C. Commercial Nordic Ski Product Assessment

Survey Question		Area Classification			
		Alpine	Guest	Other	Total
I. Area Description (21 respondents)		8	6	7	21
1. Type of Classification:		38%	29%	33%	100%
2. Type of Operation:	a) Day use	75%	0%	0%	25%
	b) Destination	38%	66%	42%	48%
	c) Weekend only	0%	33%	57%	30%
3. Type of Skiing Available:					
	a) Track	100%	84%	100%	95%
	b) Telemark	75%	66%	70%	62%
	c) Touring	100%	17%	70%	62%
	d) Ski Mtneering	38%	33%	15%	29%
	e) Racing Trails	63%	33%	70%	55%
4. Commenced Operations:					
	a) Late Seventies	50%	17%	48%	38%
	b) Early 1980s	11%	50%	33%	30%
	c) Last 3 years	33%	33%	33%	33%
5. Reason for Closure:					
	a) Lack of snow	11%	50%	80%	40%
	b) Lack of clients	33%	17%	20%	25%
	c) Preset date	62%	33%	14%	36%
II. Trails & Grooming		Alpine	Guest	Other	Total
1. a) # of kms. of trail (average by Area)		31	60	70	50
b) # of kms. groomed " " "		25	25	50	31
c) Night skiing		11%	17%	16%	15%
d) Snowmaking		0%	0%	0%	0%
2. Groom for ski-skating		50%	33%	57%	46%
3. a) Snowmobile conflicts		11%	66%	83%	53%
b) ATV conflicts					
4. Grooming equipment:					
	Snowmobiles	55%	66%	100%	70%
	Snowcats	50%	17%	42%	36%
	Tracksetters	75%	33%	70%	60%
5. Grooming methods:					
	a) All trails daily	16%	0%	16%	10%
	b) Some trails daily	16%	13%	42%	23%
	c) After each storm	25%	50%	50%	42%
	d) For weekends	8%	0%	0%	4%
	e) With skier deterioration	25%	37%	0%	24%
	f) No grooming	0%	8%	0%	3%
6. Land used for grooming:					
	Other private land	22%	45%	40%	35%
	Municipal/County	0%	17%	18%	12%
	B.C. Forest Service	33%	36%	40%	37%
	B.C. Provincial Park	37%	17%	28%	20%

III. Facilities		Alpine	Guest	Other	Total
1. Nordic Staging Facility:		38%	33%	42%	38%
2. Facilities/Services:					
	Rental	88%	50%	80%	75%
	Retail	75%	17%	50%	47%
	Ski School	88%	50%	33%	57%
	Guide Services	22%	66%	50%	46%
	Child Care	55%	17%	33%	35%
	Food Service	100%	83%	42%	75%
	Bar Service	88%	17%	50%	52%
3. Other Activities:					
	Alpine	100%	17%	28%	49%
	Ice Skating	33%	83%	50%	55%
	Sledding	22%	50%	66%	46%
	Snowmobilig	22%	17%	16%	18%
	Dog Sledding	0%	33%	33%	22%
	Sleigh Rides	22%	33%	33%	30%
	Sauna/Hot Tubes	66%	50%	50%	55%

IV. Marketing		Alpine	Guest	Other	Total
4. Origin of clientele:					
	0-49 km.	22%	0%	20%	15%
	50-99 km.	0%	0%	0%	0%
	100-149 km.	11%	17%	20%	15%
	150+ km.	60%	84%	66%	70%
6. Forms of paid advertising:					
	a) Newspaper	33%	33%	80%	45%
	b) Ski Publication	44%	33%	80%	50%
	c) Other magazines	11%	33%	60%	30%
	d) Media kit	22%	16%	40%	25%
	e) Brochures/maps	100%	100%	100%	100%
	f) Consumer ski shows	44%	33%	20%	33%
	g) Travel/trade shows	33%	50%	40%	40%
	h) Video	22%	0%	20%	15%
	i) Radio	44%	33%	40%	40%
	j) TV	33%	17%	20%	25%
7. Most effective paid advertising:	Brochures/Maps	45%			

V. Visitation				
1. Average # of visits:	10,000	1500	2200	
	Low 5000	Low 300	Low 300	
	High 40000	High 5000	High 10000	
2. Trail fees (yes)	50%	11%	42%	35%

VI. Expansion	Alpine	Guest	Other	Total
1. 5 year plan in effect: Yes	60%	66%	80%	70%
2. Area for expansion: Yes	100%	100%	100%	100%
3. Planned trail expansion: Yes	33%	33%	80%	45%

Note: In some cases totals will not add up to 100% due to multiple responses.
Note: Response numbers refer to corresponding numbers within the questionnaire.

The following provides a brief overview of survey findings:

I. Area Description

The majority of commercially operated cross country ski areas were affiliated with alpine areas (38%). Guest Ranches accounted for a further 29%; and the remaining sites, which included fishing lodges/resorts and municipal areas, accounted for the final 33% of respondents.

In terms of type of operation generating the majority of use for each category of area, Alpine Affiliates indicated "Day Use" (75%), Guest Ranches indicated "Destination" (66%), while those in the "Other" category sited weekend use (57%) as their major source of revenue.

Of the total sample, the majority types of operation were classified as "Destination" (48%) or "Weekend Use" (30%).

Ninety percent of all respondents provided track skiing; telemark (70%); racing trails (52%); ski touring (30%); and a minor percentage (25%) offered ski mountaineering. The only significant differentiation in type of skiing was that only 33% of Guest Ranches offered racing trails.

In terms of when the different areas commenced commercial cross country ski operations, the majority of Alpine Affiliates (50%) began in the late seventies, while 50% of the Guest Ranches began operations in the early eighties. Those areas in the "Other" category have seen steady growth with 33% in each period.

It appears that most Alpine Affiliates (62%) end their cross country season based on a pre-set date while the majority of Guest Ranches (50%) and Other areas (80%) close due to lack of snow. When taken as a total sample, lack of snow is the major reason given for the closure of the cross country ski season.

II. Trails & Grooming

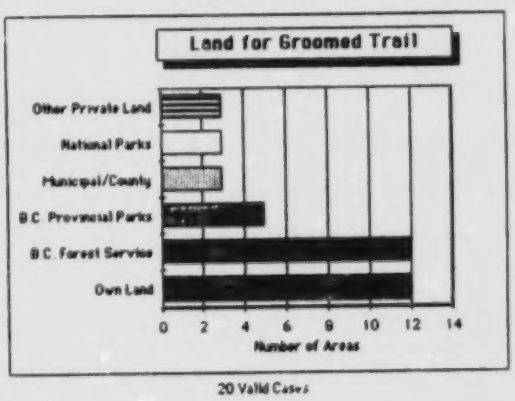
The number of kilometers groomed ranged from as little as 7 kms. up to 110 kms; the average for all areas combined being 33 kms. (of those who groomed). Those areas classified as "Other" were grooming the most trail at an average of 50 kms., with Guest Ranches and Alpine Affiliates both providing 25 km on average.

Two areas had 3.5 and 6 kms. respectively of trail lit for night skiing and, not surprisingly, none had snowmaking. Only 46% of all areas combined groomed their trails for ski skating (also known as "freestyle" cross country skiing). The predominant grooming pattern (42%) was "after each storm," followed by "with skier deterioration" and "some trails daily."

Ten areas experienced snowmobile conflicts on their trails. Five of these also experienced ATV (All Terrain Vehicle) conflicts.

As far as grooming equipment was concerned, 9 sites groomed with snowcat only; 6 with both snowcat and snowmobile; and 2 with snowmobiles only. Alpine Affiliates showed the most sophistication in grooming equipment, with a high of 50% using snowcats.

Figure 3.1



Land for groomed trails was varied, with "own" land (35%) and B.C. Forest lands (27%) the most predominant. Three areas claimed using National Park land althougth grooming and track setting are generally not permitted within National Park boundaries.

III. Facilities

Only six areas had a formal nordic staging facility, but it can be assumed that most had other buildings or facilities that were co-used as a cross country staging facility.

Lodging capacity ranged from 6 to 2400 persons, though three areas offered no accommodations. Alpine Affiliates had the highest lodging capacity (250 - 2400), though two of the alpine areas had no lodging (i.e. were predominantly day-use). Guest Ranches and Others had accommodation capacity ranging from 6 to 108.

Seven areas provided some type of warming hut or shelter along their trail system. These were not necessarily the areas with the larger trail systems.

Figures 3.2 and 3.3 give an indication of the variety of facilities and services available at the cross country ski areas surveyed in B.C..

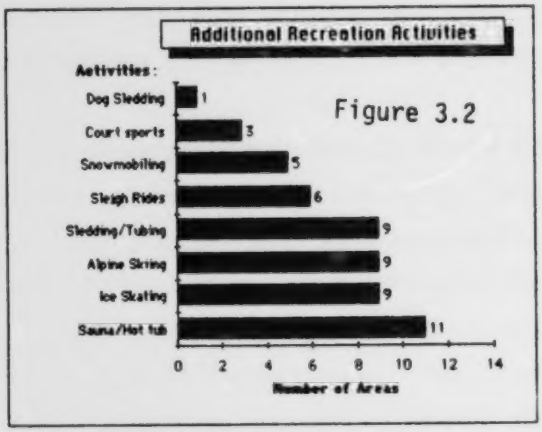
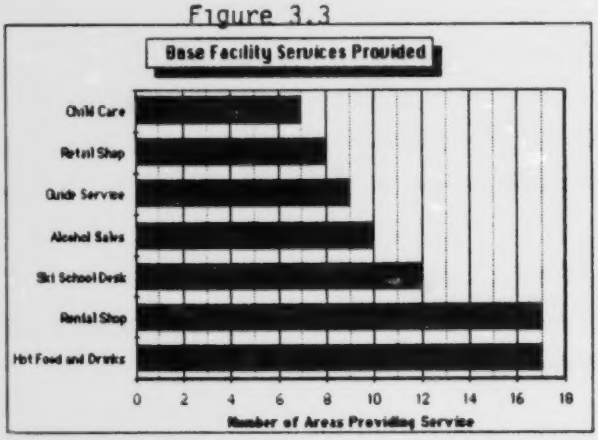


Figure 3.2

Figure 3.3



IV. Marketing & Affiliations

Eight of the areas surveyed were identified as winter-only businesses (all alpine affiliated), the other 13 as multi-season businesses.

Areas claimed a variety of affiliations in addition to alpine areas and guest ranches (See Figure 3.4).

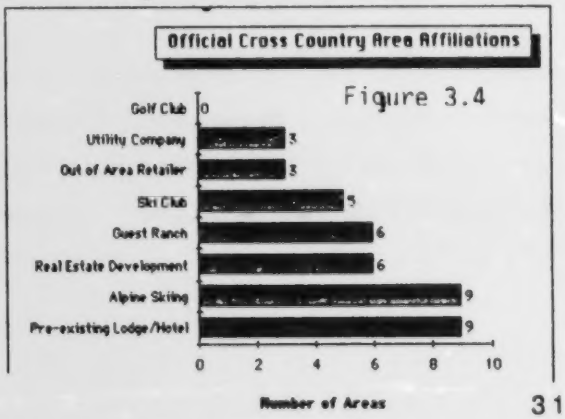


Figure 3.4

In all these categories, the majority of ski clientele came from 150 kms. or more to reach the site.

Ten areas competed with commercial areas within an hour's drive, and 8 competed with publically groomed trails within that driving distance. Five of those areas said they were competing with both publicly and commercially maintained trails.

Overwhelmingly, respondents chose Brochures & Maps as the most effective paid advertising medium. This was the only advertising medium which all areas used. Other Magazines (non-ski publications) were cited as the next most effective. A breakdown of paid advertising is shown in Figure 3.5.

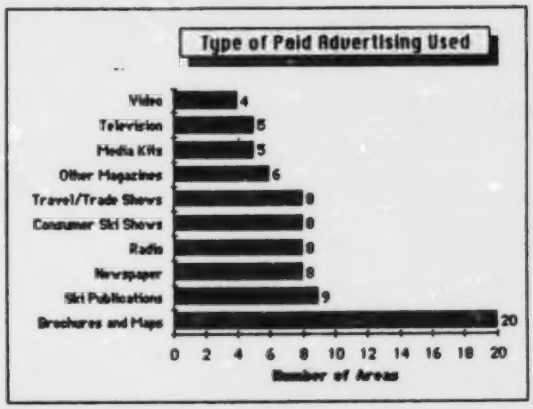


Figure 3.5

V. Visitation & Rates

Of the 13 areas that kept records of skier visits, 9 enjoyed continuous growth in visits over the past three seasons, two dropped slightly, and two saw considerable variation from year to year.

Of the 13 areas that had rental programs, six used mostly the (somewhat antiquated) 75 mm. binding system. The majority of rental skis were non-wax.

Concerning trail fee: 9 areas were free, 3 areas requested a voluntary donation, and 9 areas had a mandatory fee. Of the areas with a trail fee, the range was $3.00 to $5.00. Rental fees ran from $7.00 to $12.00, group lessons from $6.00 to $30.00, and private lessons from $16.00 to $25.00. Four areas sold season passes, with a low of 6 passes to an impressive high of 500.

VI. Expansion

70% of the areas were operating under a five year expansion plan. All areas had land to expand onto and 45% planned to expand their trail systems.

VII.Financial

Twelve areas said it was imperative that their cross country programs run at a profit (50% of responding Alpine affiliates, 66% of the Guest Ranches, and about 70% of Others).

Eight areas (30%) ran at a profit in 1985/86, while ten (47%) areas operated profitably in 1986/87. 1985/86 was the most profitable prior year for most sites. Eight areas said 1986/87 was up over the best previous season's before tax profits.

3.5 FINANCIAL ANALYSIS

In accorance with the terms of the engagement, responses were elicited from operators surveyed on a range of financial matters including details of operating revenue and expense. Of the 21 respondents, twelve (57%) supplied sufficient details for meaningful analysis; a further three forwarded revenue information only.

Highlights of the review follow, under appropriate headings.

REVENUES

Total revenues were reported at $1,865,400 for the season under review. Table 3.3 shows how this was reported, with a comparison of the results of NGI's 1985/86 North American Cross Country Ski Operations Survey.

Alpine operations contributed 70.2%, Guest Ranches - 20%, and "Other" operations - 9.6%. Lodging revenue dominated, at 36.4%, followed by food and beverage and trail fees at 22.4% and 21.0%, respectively. Revenues per skier visit averaged $14.37, and were highest in the Guest Ranch group, at $92.84, a reflection of the significant impact which revenues from room sales has.

Table 3.3

Nordic Group International

B.C. Cross Country Ski Product Study

REVENUE ANALYSIS (000's)

Category	Valid Cases	Total		Alpine (7)		Guest Ranches (5)		Other (3)		Mean	N.America Mean
	#	$	%	$	%	$	%	$	%	$	$
Trail Fees	9	389.3	21.0%	337.0	25.9%	.1	.0%	52.2	29.2%	43.3	16.4
Cross Country Rental	12	164.2	8.8%	154.7	11.9%	5.0	1.5%	3.7	2.1%	13.7	11.8
Cross Country Retail	6	39.3	2.1%	10.7	1.4%	2.0	.5%	18.6	10.4%	6.6	12.7
Food and Beverage	11	415.0	22.4%	246.0	18.9%	127.0	33.9%	42.0	23.5%	37.7	7.6
Lessons	10	104.6	5.6%	99.3	7.6%	4.3	1.1%	1.0	.6%	10.5	7.3
Lodging	10	675.0	36.4%	415.2	31.9%	200.5	53.5%	59.3	33.2%	67.5	23.4
Races	2	29.0	1.6%	29.0	2.2%	0.0	0.0%	0.0	0.0%	14.5	1.7
Used Rentals	4	3.3	.2%	2.5	.2%	0.0	0.0%	.8	.4%	.8	1.0
Miscellaneous	6	36.7	2.0%	.5	.0%	35.0	9.3%	1.1	.6%	6.1	6.6
TOTAL	15	1856.4	100.0%	1302.9	100.0%	374.7	100.0%	178.7	100.0%	123.8	60.7

Source: NGI Research

North American Cross Country Ski Operators

(Conducted by NGI)

Note: N. America Mean expressed in U.S. Dollars.

Lodging

Accounting for 36.4% of reported revenues, Guest Ranches recorded this at 53.5% with the leading ranch operation attributing 52.4% from this source. At this level, revenues from rooms compare favourably with the sales mix of financially successful metropolitan located, full service hotels, where room revenues typically account for between 50 and 55 percent of overall revenue mix. Similarly, both Alpine and "Other" operators credited revenues from room sales as their ranking revenue source, at 31.9% and 33.2%, respectively, but not at the dominant levels enjoyed by the Guest Ranches. Five operators reported room occupancy combined at 56.4%, reflecting a range of between 35% and 75%, with room nights occupied ranging between 381 and 5478 for the cross country season under review. Industry standards suggest, room occupancies in the 70% range are required for full service resort operations to economically support operating costs and service debt. Two operations reported occupancy at the mid-70% level, close to what is considered to be functional capacity. More weekend and destination than day use, these facilities must be recording turnaways during these times.

Average room rate data was not reliably supplied; accordingly, this useful performance measure was extrapolated from other data. Overall, an average room rate of $30.18 was generated by the five, ranging between $12 and $75 per occupied room. It is likely that, at lower average room rate levels, room department operating costs are being marginally covered, and that acceptable room departmental profit is not being recorded.

Food and Beverage

The second most important source of revenue, at 22.4% overall, separation between food and beverage, which would have made the analysis more sensitive, was not provided by all respondents. While revenues in this category were strongest in the Guest Ranch category, the leading food and beverage operator was in the Alpine group, recording 31% of revenues from this source. Depending on the extent to which the sale of alcoholic beverages features prominently in the food and beverage sales mix, healthy, marginal or departmental losses may be experienced, with higher volumes of liquor, wine and beer sales contributing to more acceptable financial results.

Trail Fees

At 21% of the overall revenue mix, operators in the "Other" category recorded the highest percentage of sales from this source, at 29.2%. Alpine operations followed at 25.0% with the leading operation attributing almost 50% of revenues from trail fees.

It was noted that, with one exception, Guest Ranches do not ascribe fees for trail use; fees accounting for less than 1% of revenues, compared with 71% of Alpine operations and 100% of "Others" benefitting from this high yield revenue source. This clearly reflects the marketing orientation of Guest Ranches towards the generation of room sales, as the ranking revenue source. By contrast, Alpine operators are required to assess fees for cross country use as a principle source of income, in the absence of the rooms component.

Cross Country Ski Rentals

Cross country ski rentals were reported almost exclusively by Alpine operators, who indicated that 11.9% of their revenues were derived from this source. By contrast, this accounted for less than 2.5% in both other categories. With the leading Alpine operation reporting 21.4% of revenues from cross country rentals, it is likely that these figures are conservative, as, in some instances, this service is provided by a lease operation, and not the reporting operator.

These results reflect the "learning" environment of most Alpine areas, for both downhill and cross country skiing. They also tend to reflect a general lack of awareness on the part of Guest Ranch operators to the economic potential of actively providing a wide range of cross country opportunities, as a means of generating higher revenues. The fact that over 70% of Alpine operations are exclusively winter oriented, and by economic necessity fully focussed on maximising revenue from all winter sources, contrasted by the fact that all of the Guest Ranch respondents are year round operations, with the strong implication that non-winter markets are more lucrative for the latter operator, lend further confirmation of this view.

Lessons

In a fashion somewhat similar to cross country ski rentals, lessons accounted for 7.6% of Alpine operations' revenues, and was almost non-existent in both the Guest Ranch and "Other" categories. Because of the larger overall marketplace attracted to Alpine areas, for both downhill and cross country skiing activities, operations located in Alpine areas seem to be better able to economically support the operating costs of providing this service.

Minor Operating Revenues

These include revenues from races, the sale of used rental equipment, cross country retailing, and miscellaneous items. At 2.1% of total revenues, it is likely that the revenues generated by cross country retailing are in fact higher than those reported, for reasons similar to the comments made concerning the typically "leased" nature of most cross country rental operations, which were not included for survey, under the study terms of reference.

OPERATING EXPENSES

The expense review was confined to those respondents who had supplied details of both revenues and expense for analysis; they comprised five Alpine operators, all the Guest Ranches under survey and two of the three "Other" category respondents.

Operating expenses have been expressed as a ratio to total revenues, except where otherwise indicated. Table 3.4 presents the results graphically.

Neither audited nor unaudited financial operating statements were made available for review. Accordingly, the reader is to be cautioned against close comparisons with his or her individual experience. Further, operating costs might not have been accurately separated to reflect those relevant to cross country exclusively, and there is the possibility of expense allocation differences being present.

Labour

Reported at 28.8% of total revenues for all respondents, this ranged between 25.4% for Alpine, 29.1% for Guest Ranches and 48.1% for those in the "Other" category. At the lower levels, labour costs are better than "norm" and might, in part, reflect some improper allocation of these costs. Resorts operating their own rooms, food and beverage divisions, try to record acceptable labour costs, excluding management in the mid to high thirty per cent range, given strong demand levels for their facilities. On the assumption that reported results are not subject to distortion and, that all labour costs have been recorded, acceptable service is difficult to provide at the lower levels recorded, particularly in operations offering extensive food and beverage amenities, unless such components are operated on a leased basis.

Table 3.4

Nordic Group International

B.C. Cross Country Ski Product Study

EXPENSE ANALYSIS (000's)

Category	Valid Cases	Total		Alpine (7)		Guest Ranches (5)		Other (3)		Mean	N.America Mean
	#	$	%	$	%	$	%	$	%	$	$
Revenues	12	1541.1	100.0%	995.7	100.0%	374.6	100.0%	170.8	100.0%	128.4	60.7
Labour	10	444.4	28.8%	253.2	25.4%	109.0	29.1%	82.2	48.1%	44.4	18.6
Direct Op. Expense	10	71.3	4.6%	49.0	5.0%	13.3	3.6%	8.3	4.9%	7.1	3.4
Cost of Sales	9	238.9	15.5%	83.8	8.4%	112.6	30.1%	42.5	24.9%	26.5	12.5
Admin. and General	1	12.0	.8%	12.0	1.2%	0.0	0.0%	0.0	0.0%	12.0	3.8
Insurance	7	24.0	1.6%	3.0	.3%	9.0	2.4%	12.0	7.0%	3.4	3.0
Marketing	10	149.8	9.7%	105.0	10.5%	35.3	9.4%	9.5	5.6%	15.0	4.0
Energy	9	79.0	5.1%	27.0	2.7%	47.3	12.6%	4.8	2.8%	8.8	2.4
Green/Trail Maint.	9	79.1	5.1%	38.1	3.8%	9.5	2.5%	31.5	18.4%	8.8	4.2
Miscellaneous	6	9.1	.6%	4.1	.4%	3.4	.9%	1.6	.9%	1.5	4.2
TOTAL	12	1107.6	71.9%	576.0	57.8%	339.4	90.6%	192.4	112.6%	127.5	56.1
Income Before Occupation Costs	12	433.5	28.1%	419.7	42.2%	35.2	9.4%	-21.6	-12.6%	36.1	N/A
Occupation Costs	6	20.0	1.3%	2.1	.2%	6.8	1.8%	11.0	6.4%	3.3	4.5
Income Before Interest Depre., Income Taxes		413.5	26.8%	417.6	41.9%	28.4	7.6%	-32.6	-19.1%	N/A	N/A

Source: NGI Research
North American Cross Country Ski Operators
(Conducted by NGI)

Note: N. America Mean expressed in U.S. Dollars.

Cost of Sales

Ranging between 8.4% for Alpine operations and 30.1% for Guest Ranches, the principle difference lies in the general extent of rooms, food and beverage provided at Guest Ranches. From the specific food and beverage cost of sales data supplied by most Guest Ranch operators, it would appear that cost within these areas are in line with industry standards, reflecting effective operating control. Only one operator supplied information on room operating costs, amounting to 52% of reported revenues. This reflects the somewhat low room occupancy generated by this operation, together wih the relatively high minimum staff requirement to service the rooms department even at low occupancy levels.

Direct Operating Expenses

This category includes a wide range of operating supplies and the routine replacement of smallwares, china, glass and silver. Reported at 4.6% of total revenues, ranging between 3.6% for Guest Ranches and 5.0% for Alpine operators, direct operating expenditures are in line with industry standards for all categories.

Administration and General

An analysis of responses showed that with one exception, no costs were allocated under this category. It is likely that operations have either included these expenditures under other headings or failed to report them.

Marketing

"Norms" range between 4.5% and 7.5% of revenues, with affiliated operations incurring costs at the lower end of the range, and independents, at the 7.5% mark, to adequately expose themselves to their target markets. Reported expenditure levels of 9.6% overall, marketing costs are somewhat higher than industry standards, and range from 5.6% for "Other" category respondents to 10.5% for Alpine operators, with several indicating anticipated expenditures in the 15% - 18% range for next season. Marketing is an area of discretionary spending and these results reflect the wider variation in attitudes of individual respondents to the level of expenditures perceived necessary to effectively penetrate the marketplace. While marketing ratios at these higher levels might be supportable over the short term, immediate benefit in the form of substantial revenue improvements will be required to avoid financial pressure being increasingly placed on other aspects of operations, to the longer term financial detriment of the business.

Energy

Reported expenditures ranged widely between 2.7% for Alpine operators and 12.6% for Guest Ranches. This unusually high ratio in the case of Guest Ranches is partly attributable to the choice of heating fuel employed, energy inefficient plants (Guest Ranches were generally older than their Alpine counterparts) and the relatively high cost of providing acceptable heating and hot water at low occupancy levels, particularly for rooms' oriented operations.

Income Before Depreciation, Interest and Income Taxes

Based on the foregoing review, available income for debt servicing purposes of 26.8% overall, was recorded for British Columbia's commercial cross country ski operators for the season under review. Alpine respondents performed considerably better than their Guest Ranch and "Other" counterparts, who recorded an operating profit of 7.6% and operating loss of 19.6%, respectively.

If accurate, these results are significantly high for Alpine respondents, and reflect the greater yield which Alpine operators enjoy from their principle revenue sources, compared to the other categories. In addition, Alpine operators indicated that overall revenues for the survey period showed improvements of between 20% and 30% over the operations' previous best year. By contrast, and assuming conventional financing in place, it would appear that Guest Ranch and "Other" operators have been unable to adequately service their winter months debt solely from their cross country ski operations.

Conclusion

Based on the foregoing financial review, it was concluded that there appear to be some opportunities within the British Columbia commercial ski market segment as outlined below:

1. Improved profitability for rooms oriented operations at close to functional capacity may be achieved through a combination of:
   - increased average room rates,
   - the development of other sources of revenue, and
   - the construction of additional bedrooms, if analysis shows that levels of unsatisfied demand will economically support such expansion.

2. In general terms, Alpine operations show greater economic potential for commercial cross country development than their Guest Ranch counterparts. Further study would be required in order to substantiate such a premise.

3. Guest Ranch and "Other" operators have an opportunity to learn from their Alpine counterparts, vis a` vis the identification and exploitation of additional sources of high yield revenues, such as trail fees, rental and retail potential.

4. Overall, revenues reported from cross country skier visits are up substantially from 1986/87 revenues and revenues per skier visit also continue to escalate, perhaps confirming user profile data that indicates cross country skiers are willing to spend money for their activity.

3.6 SURVEY SYNOPSIS

The results from this survey of selected commercial cross country ski operations in B.C. provide some interesting observations about its distribution.

First, it is evident that of the areas surveyed, not one is representative of a "pure" cross country ski resort; instead they are all affiliated with other types of operations (i.e. guest ranches, alpine areas).

A majority of alpine areas indicated their primary mode of cross country ski operation (66%) was day-use oriented. This may be a result of downhill skiers who are already skiing at the area who may "cross-over" and buy a day pass for cross country skiing.

Surveys in the U.S. indicate that some alpine ski areas offering a cross country component are achieving 30 - 40 percent cross-overs (CCSAA,1987). The benefit of this is that it allows a ski area to attract a wider ski market and increase overall skier visits.

By comparison, the prime focus of operation for Guest Ranches was destination-oriented, which may indicate they are providing a different type of skier experience.

There appears to be a fairly balanced spread between all areas surveyed as to when they commenced operations. Overall, the industry has been available in the province for at least 10 years, which is comparable to other areas across Canada and the U.S. (NSIA, 1986 and CCSAA,1987)

Alpine areas offered the fewest ski trails. This may be because their skier clientele is mostly day use and assume that having more trail is not necessary or cost effective to attract that type of skier.

Guest Ranches and ski areas listed under "Other" provided more than double the trails but also were more oriented to destination or weekend use which implies skiers would likely ski more than one day and would require the greater diversity of trails offered.

Alpine areas reflect greater sophistication with regards to grooming, as a majority use larger snowcats and a range of track setting equipment. The reason for this is that alpine areas already have the larger equipment for grooming their slopes, compared to guest ranches and other areas which rely mostly on snowmobiles.

Alpine areas also reflected the fewest conflicts with snowmobiles (11%) while areas in the "Other" category had the most (83%). One must assume that this may be because alpine areas have better control over access onto their lands. While areas in the "other" category, including municipalities and lodges, are more susceptible to other users infringing upon common use lands (i.e. Forest lands, etc).

With respect to facilities, the majority of alpine areas provide a much wider range of infrastructure and services compared to Guest Ranches and "Other" ski areas. One can assume that this is a result of most alpine areas already having in place more infrastructure so it is easy to incorporate space for cross country skiing needs.

Notable differences between Alpine areas and the other categories appear in the provision of:

- Food Services - which can comprise a major revenue source. The majority of "other" areas (77%) do not offer it, indicating a lost revenue opportunity.
- Ski School - provides an additional source of revenue, yet only 50% of the guest ranches and 33% of the "other" ski areas offered this service, compared to almost all the alpine operators (88%) who did.

- Guide Service - few alpine areas (22%) offered this service, possibly because of limited terrain available for guiding, or that it takes away from generating alpine skier visits. By comparison, more than half the guest ranches and "other" areas provided this as a service, indicating perhaps accessibility to more diverse terrain or simply providing a wider range of ski opportunities.

In terms of marketing, the majority of all areas (70%) indicated that the origin of most of their clientele was from 150 kilometres or further. This reflects that most areas are likely drawing from the Lower Mainland where the greatest market share of cross country skiers exists. This correlates with the B.C. Nordic Skier Survey which indicates that over 55% of skiers come from the Vancouver area.

Alpine areas account for the greatest number of cross country skier visits, while guest ranches had the fewest on average (10,000 vs. 1500 respectively). This figure is slightly skewed because one alpine area within 1/2 hour drive of Vancouver accounts for the greatest number of skier visits (40,000) in the province. If this area is taken from the sample, the average number of skier visits at alpine areas is more in the 4000 - 5000 range.

Finally, the majority of alpine areas (55%) charge a mandatory trail fee. This is higher than Guest Ranches and "Other" areas. Overall, only 33% of all surveyed areas charge a trail fee which is considerably fewer percent than witnessed in the U.S. where over 84% of cross country operations charge trail fees (CCSAA, 1987).

Reasons for the low percentage of areas charging a fee in B.C. might indicate that most areas provide cross country skiing as a loss leader for other business revenue, or because they use public lands for most of their trails.

Alternatively, the level of product or sophistication in the delivery of services and facilities may not warrant the charging of a trail fee.

The following chapters provide a more in-depth analysis that begin to address some of the questions and observations raised by this survey.

4.0 PRODUCT ANALYSIS

The previous chapter provides an overview of a representative sample of commercially operated cross country ski areas in B.C.

In order to translate this information into a format that can begin to compare the existing product by area classification and by economic development zone, an evaluation matrix was utilized.

The evaluation matrix is an assessment tool developed by Nordic Group International and has been successfully applied to similar ski area analyses across North America.

The matrix comprises key criteria contributing to a successful (commercial) cross country ski operation. They were selected based on similar criteria used in other ski industry operation surveys (CCSAA, 1984, 1985, 1986, and Goeldner, 1975 - 1987) and on an extensive research of skier profiles as to what attracts them to a ski area (PMB, 1985; Knopp, 1981; Fry, 1982, 1983, 1984; Tourism Canada, 1983).

A brief definition of each criterion category may be found in Appendix III.

Table 4.1 summarizes the organization of the evaluation matrix. The matrix represents a range of development typical of existing cross county ski operations including:

- Below Average - an area with a poor image, poor quality and commitment, probably not worth a repeat visit.
- Average - worth a visit but doesn't have anything spectacular or singularly unique.
- Above Average - representative of an area that excels in all areas of its delivery of cross country ski product, offers high quality, has a good reputation and well worth repeated visits.

The key function of this matrix is to define the differences that can be expected at various cross-country ski areas. It reflects the importance of area management and ownership demonstrating:

Commercial XC Ski Area Assessment Guidelines:

Category/Level of Development:	ABOVE AVERAGE	AVERAGE	BELOW AVERAGE
ACCESS	Within 1 mile of excellent highway; large, conspicuous, attractive, multiple signs; constant road maintenance and snow removal.	Within 3 m. of good highway; unobtrusive, weathered signs; roads cleared on "as needed" basis.	Greater than 3 m. from highway; small signs, hardly visible, infrequent; roads cleared after storms.
AESTHETICS	Diverse and distinctive variety of natural features and landscape attributes, and carefully planned and sited manmade facilities in harmony and balance with the area.	Diverse and attractive natural setting, but siting and develoment quality of facilities incompatible with area.	Mundane,uninteresting landscape features, and/or in combination with unattractive incompatible manmade development.
LENGTH OF SEASON	3.5 month/105 days (includes Christmas)	3 months/90 days (Xmas)	2-2.5 months/60-70 days
KMS. OF TRACK	50+	30	15
SKI TERRAIN	Has wide mix of terrain in use for all levels of skiers with bias towards specific markets; specific ski school area and ski playgrounds.	Has some mix of terrain variety (hills, open flat areas) but not market oriented; ski school area but poorly sited.	Has limited recreational ski terrain with no product aimed at specific markets. No ski school terrain.
TRAILS	Trails designed specifically for XC: majority 2-way trails, skate lane, bridges, banked curves, sloping, drainage, surfacing. Some lighted trails and snowmaking in the Northeast and Midwest.	Many trails cut for XC; 1 & 2 way trails; some culverting and bridging; some areas wide enough for skating; brushing annually.	Adapted trails such as logging roads; poor drainage; informal bridging; bad exposures, i.e. windblown, tree melt.
SKI FACILITIES	Has full range of warm-up buildings, waxing shelters, day lodge to fully meet expanding skier needs, sufficient toilet facilities for maximum use, good parking. Complete retail and rental shops.	Has limited waxing/warm-up facilities; day-lodge crowded on busy days; small rental/retail; insufficient washroom.	Has no waxing/warm-up facilities; no day-lodge; chemical toilets; no rental/retail: limited parking, often poorly maintained.

Table 4.1

Commercial XC Ski Area Assessment Guidelines:

Category/Level of Development:	ABOVE AVERAGE	AVERAGE	BELOW AVERAGE
SERVICES	Is full service 7 days a week to meet total range of skier needs even at maximum capacity.	Has basic services but are overtaxed at peak use periods, service cutbacks during mid-week.	Has limited skier services, presented with inconsistent , unprofessional quality, cutbacks during week.
PROGRAMS	Offers a full range of programs for all identified skier markets, using professional and well trained staff.	Offers full range, but staff over-taxed and not all trained, program cutbacks during mid-week.	Limited range of programs based on staff capability and inclination, and not what market wants.
ACCOMMODATIONS On-site	Offers wide range of private lodging and dormitory style accommodation (capacity of 50+), and variety of food services and apres ski amenities.	Offers a limited range of lodging with limited choice of food services and apres ski amenities.	Single choice of lodging, food service equals "hearty meals," no apres ski amenities.
Off-site	Has wide choice of nearby accommodation type and price within 20 minutes' drive of ski area.	Offers wide choice of accommodation inconvenient access (have to drive to ski area).	Limited choice of lodging, but questionable quality, inconvenient access.
OTHER WINTER ACTIVITIES	Full range of on-site or nearby (20 min.) winter recreation activities available 7 days a week.	Limited range of alternative winter activities with probable emphasis on weekend participation only.	Very few non-skiing recreation activities available on-site or in close proximity to ski area.
OTHER TOURISM ATTRACTIONS	Offer a wide choice of tourist attractions on-site and in accessible surrounding region.	Limited choice of other tourist features on-site and in accessible surrounding area.	Limited choice but not easily accessible, not on-site and not always available mid-week.
OPERATIONS	Fully professional , friendly, versatile, and efficient, 7 days a week, consistent quality of specialized management.	Some professional staff, but friendly; some versatility; geared mostly to weekends; quality of operation can be inconsistent at peak times.	Composed largely of part-time staff with little professional training or pride, size of area exceeds manage-ment's capability and number of staff

- Commitment to skiing excellence.
- Forethought in development of programs and services.
- Site planning and design.

- Professionalism in operations.
- Quality of physical product.
- Financial resources sufficient to fulfill development expectations.

Using a 10 point rating system where:

- 1 - 4 is Below Average
- 5 - 8 is Average
- 9 - 10 is Above Average

each of the 21 areas responding to the questionnaire was evaluated using their answers to the survey questions and additional details obtained from telephone interviews.

4.1 Analysis by Area Affiliation

Score values of each individual site were combined according to the various classifications of cross country ski operations (i.e. Alpine, Guest Ranch, Other). This permitted a comparison between the various cross country ski affiliates from an objective perspective without singling out an individual area.

Although this process does not reflect the total number of commercial operations in B.C., the chosen sample does provide an objective preliminary overview of various opportunities and constraints affecting delivery of B.C.'s commercial nordic ski product. Table 4.2 summarizes the cumulative scores according to area classifications.

In overview, the Table reinforces observations already made evident in the preceding chapter, which simply compiled survey responses. For example, there were definite differences between cross country operations affiliated with alpine areas and those associated with guest ranches or "other" areas. Alpine areas, for example, appear to be more sophisticated in the provision of on-site infrastructure, amenities and in the level of grooming than guest ranches and "other" areas.

When translated into "score" values, these differences indicate that the provision of nordic ski product at Alpine Affiliates is slightly higher in value than provided at Guest Ranches or areas categorized as "Other" (which include municipal areas and fishing lodges).

PRODUCT ANALYSIS BY AREA AFFILIATION

Area / Category — AFFILIATION	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
ALPINE (8)	7.8	7.8	7.8	5.8	6.5	6.1	7.0	6.2	5.8	6.6	5.6	5.5	5.6	6.7	6.5
GUEST RANCH (6)	5.8	6.0	7.0	6.8	7.1	4.8	5.0	5.3	5.3	6.0	5.0	5.1	5.1	5.5	5.7
OTHER (7)	6.5	7.2	7.1	6.5	6.7	6.5	6.7	6.8	6.0	6.8	5.0	5.7	5.7	6.2	6.3
TOTAL B.C. AREAS COMBINED AVERAGE (21)	6.7	7.3	7.1	6.3	6.7	5.9	6.3	6.1	5.8	6.4	5.2	5.4	5.5	6.2	6.2

Rating Systems: 1-4 Below Average
5-8 Average
9-10 Above Average

Table 4.2

Reasons for this can be found in those criteria where the Alpine Affiliates received a higher rating including:

- Access - most alpine areas are so located that access by car is relatively direct and easy .
- Aesthetics - alpine areas are generally professionally planned, designed, and laid out. This is in part a reflection of the relatively large number of dollars spent to develop a resort base to support alpine skiing. This in turn translates into greater commitment to site detail (i.e. landscaping, building design, circulation).
- Ski Facilities - again, perhaps because of the greater infrastructure associated with an alpine area, ski facilities related to cross country (including such elements as rental, retail shops, instruction area, waxing facilities, and warm-up shelters) were more evident at alpine affiliated areas.
- On-site Accommodation - alpine areas generally offered more extensive on-site accommodation providing easy and direct access to the cross country trails. Most Guest Ranches or "Other" areas provided a very specific type of accommodation which is often limited in total rooms and variety of rooms available (i.e. no dormitories or no luxury suites).
- Operations - most alpine areas reflected a higher quality operational level, especially related to such issues as trail grooming services and programs. Alpine areas generally have more staff, larger grooming machines, and support facilities to service the alpine component, all of which can be readily applied to nordic skiing.

As stated throughout this report, successful commercial cross country ski operations are those that reflect a high and consistent commitment to quality of ski facilities, trail, track and staff professionalism.

In order to attract larger numbers of skier visits and perhaps more destination than day use visits, such operations should have a score rating of "high average" (i.e. 8.0) or preferably "above average" (i.e. 9.0 or 10.0).

There are examples of such areas from the U.S. (i.e. Royal Gorge Resort, CA; Lone Mountain Ranch, MT) where recognition and development of commercial cross country ski centres is more advanced and sophisticated -- in part a result of "being longer in the game".

From this assessment of B.C.'s nordic ski product by area affiliation, it is evident that at this time overall product is only a "low" average. Cumulatively it scores a "6.2".

Several individual B.C. areas, notably associated with existing alpine operations (i.e. Mt.

Washington and Silver Star), had score values comparable to successful U.S. operations.

However, if B.C. as a whole is going to try to increase cross country skier visits to commercial areas, efforts will have to be directed at increasing overall "score values" from a 6.2 to an 8.0 or 9.0 in product delivery.

Alternatively, rather than trying to promote a wide range of cross country ski opportunites as is currently done through the **Ski With Us** guide, it may prove more effective for B.C. to promote only those areas actually meeting the standards for commercial cross country ski operations as defined by the Ministry of Tourism.

Cross country ski operations can certainly vary in scope and scale -- in fact, diversity is one of the sport's major strengths in drawing new skiers and retaining the loyalty of existing devotees. But if less professional areas are promoted on a par with more sophisticated and skillfully operated sites, they may actually be doing B.C. a disservice by confusing skier markets about product quality.

Destination skiers in particular are less likely to return to an area, a region or possibly the Province if their cross country experience was negative because they visited an area that was over-promoted in terms of cross country ski product. U.S. skiers in particular hold resorts to "truth in advertising". It is therefore incumbent on B.C.'s commercial nordic ski operators to try and improve their overall product and image.

4.2 Cumulative Product Assessment by Economic Development Zone

As previously identified, only 5 of the 8 Economic Zones are represented by the survey results, as the other Zones did not have "qualified" representative areas or failed to respond to the survey. (Refer to Map 3.2)

This section provides a brief assessment, summarized in Table 4.3, of how each of these 5 Zones compare in terms of their commercial cross country ski operations. Unfortunately some distortion exists due to the different levels of representation within each zone. For instance, Zone 1 represents only one area, which happens to be an Alpine Affiliate.

B.C. Cross Country Study

Product Analysis by Economic Zone

Area / Development Zone / Category	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
Economic Zone 1 (1)	8.0	8.0	8.0	8.0	8.0	10.0	8.0	6.0	5.0	7.0	4.0	6.0	5.0	9.0	7.1
Economic Zone 2 (5)	7.2	7.4	7.4	4.4	5.4	6.2	6.2	6.2	5.4	5.0	4.4	5.2	5.6	6.2	5.8
Economic Zone 3 (7)	7.0	7.1	7.5	7.0	7.4	5.7	6.5	6.4	5.9	7.1	6.2	5.9	5.9	6.0	6.5
Economic Zone 4 (5)	5.0	7.0	7.8	6.4	6.4	4.8	5.4	5.0	5.0	6.4	4.4	4.6	4.6	5.2	5.5
Economic Zone 5 (3)	7.6	8.0	6.3	7.6	7.9	7.9	6.3	7.0	7.6	7.3	5.3	6.3	6.3	7.6	7.0
Total (21)												Average by Zone			6.4

Rating Systems 1-4 Below Average
5-8 Average
9-10 Above Average

Table 4.3

Zone 4 (which received the lowest overall score) was represented by a mix of Alpine Affiliates, Guest Ranch, and Others. Table 4.4, below, identifies the breakdown of areas by affiliation within each Zone.

Table 4.4
Distribution of Survey by Zone

ZONE	ALPINE	GUEST	OTHER	TOTAL
1	1			1
2	3		2	5
3	3	1	3	7
4	1	3	1	5
5		2	1	3
TOTAL	8	6	7	21

One value of this analysis lies in identifying weak areas within each Zone that, if improved, can possibly lead to increased skier visits. Table 4.5 provides a graphic representation of opportunities and constraints within each zone, which are detailed below.

- **ZONE 1**

  Opportunities
  Provides a high average or above average rating in most site criteria important to attracting skiers, including: access, aesthetics, ski trails, terrain, and grooming.

  Constraints
  This zone could improve in diversifying or increasing its on-site accommodation and expanding opportunities for addtional winter activities. The area might benefit considerably by undertaking major improvements in diversifying its overall tourism attraction.

- **ZONE 2**

  Opportunities
  In terms of access to the lower mainland market and overall scenic setting, this zone has great opportunity.

  Constraints
  This area was influenced by the mix of respondents and the location of the sample areas. One area is adjacent to Vancouver while another is distant and difficult to reach by car. Some improvements in the quality of trails, ski facilities (i.e. huts, shelters, etc.), services (ski school, rentals, retail, etc.), and operations would benefit this zone.

Major improvements are seen, such as programs, accommodations, and other winter activities and tourism opportunities.

- **ZONE 3**

Opportunities

This zone had the highest representation of alpine affiliated cross country ski areas, as well as the highest overall sample return. This region is the second most
popular cross country ski area in the province (B.C. Nordic Skier Survey, 1987). Strong points for attracting skiers were related to access (along the new Coquihalla Highway, reducing the travel time to this zone from Vancouver) and setting and aesthetics of areas.

Constraints

As a total region, it scored mostly low average for such aspects as trails, ski facilities, services, etc. Some improvements in these areas to a high average score would help attract skiers. The region was particularly weak in such areas as "programs", which could use major improvements. At present, there does not appear to be a great diversity of programs for cross country ski clientele (i.e. instruction, telemarking, ski training, etc.).

- **ZONE 4**

Opportunities

This zone benefitted from a potentially long season and area aesthetics, as well as potential access to Alberta markets.

Constraints

Perhaps results are skewed from the poor sample returns, but this zone, overall, exhibits the most number of areas needing major improvements in order to increase skier visits, including:

- quality trail grooming,
- off-site accommodation (four areas were rather remote with no immediate additional off-site accommodation),
- other recreation activities and other tourism attractions (sites within this zone offered very limited opportunities), and
- operators (most areas in this region were small guest ranches or "others", which generally operated at a lower level of staff and efficiency than larger scale alpine areas).

- **ZONE 5**

Opportunities

This zone exhibits many good features in terms of access to ski areas (once you are in the zone). Getting to the zone poses a problem in terms of travel time and air/rail connections. The region offers considerable diversity of trail and terrain to attract a wide range of skiers.

Constraints

As noted above, improvements of access to the zone (air/rail service) would aid in increasing skier visits. Overall, the area offers a good balance of opportunities, but would benefit from some improvements in areas, such as: grooming (due to a problem of uncertain snow, areas within this region should be using snow farming techniques to aid in snow retention), additional ski facilities (staging areas, huts, shelters, etc.), as well as diversifying other winter recreation and tourism opportunities.

In summary, Table 4.3 reflects an overall product range of 5.6 to 7.1 in terms of score value for quality of product.

This assessment indicates that Zone 1 and Zone 5 have the highest opportunity, at present, to attract cross country skier visits, scoring a solid 7, well into the average range. The other zones reflect an overall lower product assessment, ranking at the low end of the "average" quality scale (i.e. 5.6).

Tables 4.2 and 4.3 offer indicators of how the cross country ski product is perceived. Although this perception may not be as vital for local or provincial ski markets, destination markets do become more critical in their perception and evaluation of product and experience.

If the product is only an "average" value, skier studies in the U.S. have indicated that there is little incentive for destination visitors to spend the extra time and money to travel to that area or region, especially if there are competing sites closer to the home that offer an equivalent "average" quality of product (Knopp, 1981; SAM, 1985). These studies indicate that many skiers are becoming more aware and demanding of high quality facilities, trails and full service amenities.

If any of the zones evaluated in this study are going to attract increased skier visits, particularly destination skiers, efforts will have to be made to increase overall product value.

IMPROVEMENT REQUIREMENTS (BY ZONE)

Area / Category — DEVELOPMENT ZONES (areas responding)	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
ZONE 1								●		●	■	●	■		
ZONE 2				■	■	●	●	●	■	■	■	■	■	●	
ZONE 3				●		■	●	●	■	●	●	●	●	●	
ZONE 4						■	■	■		●	■	■	■	■	
ZONE 5			●			●	●				■	●	●	●	

LEGEND

□ NO IMPROVEMENTS NECESSARY

● SOME IMPROVEMENTS NECESSARY

■ MAJOR IMPROVEMENTS OR UPGRADING REQUIRED

Rating Systems: 1-4 Below Average
5-8 Average
9-10 Above Average

TABLE 4.5

5.0 COMPETING AREAS ANALYSIS

5.1 General Comparisons Between B.C. and the 1985/86 U.S. CCSAA Operations Survey

It is instructive to compare results of this study with those of the most recent **Cross Country Ski Area Operations Survey** (1985/86) prepared annually for Cross Country Ski Areas of America. (See Table 5.1)

TABLE 5.1
Product Analysis

		1988 B.C. Nordic Ski Assessment	CCSAA Survey 1985/86
I. Area Description			
1. Type of Classification:	Alpine Affiliated	42%	37%
	Guest Ranch	29%	10%
	Other (Lodge, etc.)	29%	45%
2. Type of Operation:	a) Day use	22%	45%
	b) Destination	44%	37%
	c) Weekend only	33%	18%
3. Commenced Operations:	Late Seventies	35%	50%
4. Reason for Closure:			
	a) Lack of snow	40%	45%
	b) Lack of clients	25%	40%
	c) Preset date	35%	15%
II. Trails & Grooming			
1. a) # of kms. groomed (average)		33 km	29 km
b) Night skiing		15%	25%
c) Snowmaking		0%	3%
2. Groom for ski-skating:		45%	58%
3. Snowmobile conflicts:		45%	37%
4. Grooming equipment:	Snowmobiles	70%	78%
	Snowcats	35%	54%
5. Grooming methods:			
	a) All trails daily	10%	17%
	b) Some trails daily	20%	28%
	c) After each storm	42%	17%
	d) For weekends	4%	16%
	e) With skier deterioration	24%	22%
		100%	100%

		B.C. Nordic Ski Assessment	CCSAA Survey 1985/86
III. Facilities			
1. Nordic Staging (Base) Facility:		36%	97%
2. Facilities/Services:			
	Rental	75%	97%
	Retail	47%	86%
	Ski School	57%	89%
	Child Care	46%	48%
	Food Service	72%	99%
	Bar Service	55%	70%
3. Other Activities:			
	Alpine	44%	42%
	Ice Skating	55%	32%
	Sledding	46%	31%
	Snowmobilig	18%	19%
	Dog Sledding	22%	6%
	Sleigh Rides	30%	33%
	Sauna/Hot Tubs	55%	48%
IV. Marketing			
1. Origin of clientele:			
	0 - 49 km.	15%	16%
	50 - 99 km.	0%	10%
	100 - 149 km.	15%	25%
	150+ km.	70%	49%
2. Most effective paid advertising:			
	Brochures/Maps	45%	30%
V. Visitation			
1. Average # of visits		4,500	6,100
2. Trail fees (yes)		33%	84%
VI. Expansion			
1. 5 year plan in effect: Yes		70%	40%
2. Planned trail expansion: Yes		45%	60%

American operations tend to be more sizable and "balanced" regarding infrastructure and ski experience than their B.C. counterparts. However, this should serve as inspiration rather than discouragement; for after all, British Columbia area's have generally been operating fewer years than U.S. operations.

While direct comparisons should be examined with extreme care, in part because the sample size of B.C. operators was not ideal, certain common characteristics are clear:

- in both instances, operations are characterized by diversity in type, size, and visitation. In many respects the Canadian areas are more versatile in terms of program opportunities than U.S. operations.

- in both cases, machine-groomed trails serve as the public "interest catalyst" but profitability is customarily derived from associated services (lodging, food, bar) rather than trail fees, although some areas in B.C. indicate more revenue from trail fees than food and lodging. (This may be a result of day-use areas that do not have overnight facilities or account for it in relationship to other areas (i.e. alpine skiing)).
- from the various user surveys in both B.C. and the U.S., there is indication of a large segment of the market willing to travel in excess of 150 km to visit for a weekend or week.

There are however pronounced differences within the varicus operation categories. Highlights of these differences are provided below:

- **AREA DESCRIPTION**

  - B.C. has a higher number of guest ranch operations. In both countries, they are generally smaller than other types of affiliations offering cross country skiing, as well as being less diversified in terms of facilities, services and programs. Since the majority of these operations are primarily destination oriented, they may help establish B.C. as a "destination" or weekend opportunity rather than day use.
    However, in both Canada and the U.S., guest ranch operations tend to be smaller than other types of operations,
  - B.C. nordic operations are a comparatively recent development, with two thirds dating from the 1980s. In comparison, 58% of American areas opened prior to 1980.
  - Many of the B.C. operations end their season on a preset date (36%) - over twice the figure of their American competitors. This suggests that there is greater potential for creating a longer season by developing dependable spring visitation. This conclusion is further reinforced by the fact that fully a quarter of the B.C. areas close due to lack of clients rather than melting of the snowpack.

- **TRAILS AND GROOMING**

  - B.C. areas provide, on average, an equivalent number of kilometres of trails compared to their U.S. counterparts.
    Where differences occur are in the level of grooming and the trend to providing more night skiing on lit trails.
    U.S. areas groom more frequently and are using larger equipment (Pisten-Bullys, LMC's).
  - B.C. areas are behind their U.S. competition in most aspects of winter trail maintenance. There are still relatively few sophisticated (hydrostatic) snowcats and compatible implements (12-way blade, power tiller, powder maker, etc.). Such combinations are vital for versatility and speed, dealing with sidehill and drifts, night grooming, snow farming and the like. Frequency and extent of trail of grooming are also less than desirable. The more sophisicated machinery would facilitate "one-pass" grooming and be more cost effective and efficient while improving overall track quality.
    Of particular note, extensive and <u>high quality</u> trails and grooming can justify a trail use fee. In fact, approximately three years ago, many U.S. operators raised trail fees 30%-40% to produce a profit <u>and</u> were assured that such service was not demeaned in the eyes of the public.

- A larger percentage of U.S. areas (58%) are grooming for "ski skating" since U.S. estimates place skaters at 30% of the current ski market (CCSAA, 1987). This suggests that B.C. areas should increase their attention to grooming for skating to not only ensure attracting a wider local ski market but also destination markets from the U.S., where skating is more popular.
- B.C. areas indicate a higher incidence of snowmobile conflicts (45%) than U.S. areas. Attempts to reduce these conflicts may encourage increased skier visits.

- **FACILITIES**

  - B.C. facilities are somewhat "imbalanced" compared to U.S. areas, especially regarding the provision of staging facilities or base infrastructure developed specifically to meet cross country skier and operational needs.
  - In addition, fewer B.C. areas provide on-site services and amenities (i.e. ski school, rental, retail opportunities) than their U.S. counterparts.
    Features such as instructional programs offered by a ski school are critical in creating a positive initial skier visit for the uninitiated.
    Furthermore, they provide further sources of revenue, which increase an area's potential for profit.

- **MARKETING**

  - The majority of B.C. areas (70%) are attracting skier markets from greater than 150 km (Vancouver and Lower Mainland), compared to U.S. areas where the majority of skiers come from less than 150 km (51%).
  - The majority of B.C. operators (45%) indicated that brochures/maps were their most effective form of paid advertising compared to 30% in the U.S.
    The dependence on using brochures/maps is perhaps a detriment to exploring other promotional avenues (i.e. print and electronic media advertising), which a higher percentage of U.S. areas are using.

- **VISITATION**

  - Overall, B.C.'s cross country ski areas attract fewer skier visits than their U.S. counterparts (4500 vs 6100 skier visits).
  - Only 33% of B.C. areas charge a trail fee compared to 84% of U.S. areas.
    This tends to blur the definition between the small ski club area and a sizable commercial operation. It also removes the opportunity to develop the revenues which justify (and pay for) trail upgrading and lead to possible increased skier visits.
    The correlation between higher skier visits with better quality trails and grooming is readily evident from the U.S. Survey (CCSAA, 1987).

- **EXPANSION**

  - Judging from numbers of areas utilizing long-term planning (70%), B.C. nordic managers appear much more far-sighted than Americans. On the other hand, they seem to have much more modest ambitions in terms of immediate area expansion.

These facts leave a mixed, but not unpromising picture of B.C.'s commercial cross country ski area operations; essentially summarized at this time of unfulfilled potential.

- in both cases, machine-groomed trails serve as the public "interest catalyst" but profitability is customarily derived from associated services (lodging, food, bar) rather than trail fees, although some areas in B.C. indicate more revenue from trail fees than food and lodging. (This may be a result of day-use areas that do not have overnight facilities or account for it in relationship to other areas (i.e. alpine skiing)).
- from the various user surveys in both B.C. and the U.S., there is indication of a large segment of the market willing to travel in excess of 150 km to visit for a weekend or week.

There are however pronounced differences within the various operation categories. Highlights of these differences are provided below:

- **AREA DESCRIPTION**
  - B.C. has a higher number of guest ranch operations. In both countries, they are generally smaller than other types of affiliations offering cross country skiing, as well as being less diversified in terms of facilities, services and programs. Since the majority of these operations are primarily destination oriented, they may help establish B.C. as a "destination" or weekend opportunity rather than day use.
    However, in both Canada and the U.S., guest ranch operations tend to be smaller than other types of operations,
  - B.C. nordic operations are a comparatively recent development, with two thirds dating from the 1980s. In comparison, 58% of American areas opened prior to 1980.
  - Many of the B.C. operations end their season on a preset date (36%) - over twice the figure of their American competitors. This suggests that there is greater potential for creating a longer season by developing dependable spring visitation. This conclusion is further reinforced by the fact that fully a quarter of the B.C. areas close due to lack of clients rather than melting of the snowpack.

- **TRAILS AND GROOMING**
  - B.C. areas provide, on average, an equivalent number of kilometres of trails compared to their U.S. counterparts.
    Where differences occur are in the level of grooming and the trend to providing more night skiing on lit trails.
    U.S. areas groom more frequently and are using larger equipment (Pisten-Bullys, LMC's).
  - B.C. areas are behind their U.S. competition in most aspects of winter trail maintenance. There are still relatively few sophisticated (hydrostatic) snowcats and compatible implements (12-way blade, power tiller, powder maker, etc.). Such combinations are vital for versatility and speed, dealing with sidehill and drifts, night grooming, snow farming and the like. Frequency and extent of trail of grooming are also less than desirable. The more sophisicated machinery would facilitate "one-pass" grooming and be more cost effective and efficient while improving overall track quality.
    Of particular note, extensive and <u>high quality</u> trails and grooming can justify a trail use fee. In fact, approximately three years ago, many U.S. operators raised trail fees 30%-40% to produce a profit <u>and</u> were assured that such service was not demeaned in the eyes of the public.

- A larger percentage of U.S. areas (58%) are grooming for "ski skating" since U.S. estimates place skaters at 30% of the current ski market (CCSAA, 1987). This suggests that B.C. areas should increase their attention to grooming for skating to not only ensure attracting a wider local ski market but also destination markets from the U.S., where skating is more popular.
- B.C. areas indicate a higher incidence of snowmobile conflicts (45%) than U.S. areas. Attempts to reduce these conflicts may encourage increased skier visits.

- **FACILITIES**

  - B.C. facilities are somewhat "imbalanced" compared to U.S. areas, especially regarding the provision of staging facilities or base infrastructure developed specifically to meet cross country skier and operational needs.
  - In addition, fewer B.C. areas provide on-site services and amenities (i.e. ski school, rental, retail opportunities) than their U.S. counterparts.
    Features such as instructional programs offered by a ski school are critical in creating a positive initial skier visit for the uninitiated.
    Furthermore, they provide further sources of revenue, which increase an area's potential for profit.

- **MARKETING**

  - The majority of B.C. areas (70%) are attracting skier markets from greater than 150 km (Vancouver and Lower Mainland), compared to U.S. areas where the majority of skiers come from less than 150 km (51%).
  - The majority of B.C. operators (45%) indicated that brochures/maps were their most effective form of paid advertising compared to 30% in the U.S.
    The dependence on using brochures/maps is perhaps a detriment to exploring other promotional avenues (i.e. print and electronic media advertising), which a higher percentage of U.S. areas are using.

- **VISITATION**

  - Overall, B.C.'s cross country ski areas attract fewer skier visits than their U.S. counterparts (4500 vs 6100 skier visits).
  - Only 33% of B.C. areas charge a trail fee compared to 84% of U.S. areas.
    This tends to blur the definition between the small ski club area and a sizable commercial operation. It also removes the opportunity to develop the revenues which justify (and pay for) trail upgrading and lead to possible increased skier visits.
    The correlation between higher skier visits with better quality trails and grooming is readily evident from the U.S. Survey (CCSAA, 1987).

- **EXPANSION**

  - Judging from numbers of areas utilizing long-term planning (70%), B.C. nordic managers appear much more far-sighted than Americans. On the other hand, they seem to have much more modest ambitions in terms of immediate area expansion.

These facts leave a mixed, but not unpromising picture of B.C.'s commercial cross country ski area operations; essentially summarized at this time of unfulfilled potential.

5.2 Competing Market Area Assessment

This section provides a more detailed analysis of those areas competing with B.C., particularly of operations within Alberta and the Pacific Northwest (U.S.A.).

An overview of each market region is provided. Then using a representative sample and the evaluation matrix developed earlier, as assessment of the competing product is made and compared to that provided in B.C.

Map 5.1 depicts the location of those competing areas discussed in this section.

5.2.1 Alberta

Alberta currently accounts for 14% of B.C. total alpine skiers, however, they only account for 0.4% of total cross country ski visits. Recently, more Albertans have been travelling to selected nordic ski facilities provided in B.C. (i.e. Lac Le Jeune, Silver Star, 108 Hills).

Taking Alberta's total estimated nordic ski population (approximately 370,000) and the total number of estimated commercial skier visits in B.C., this would indicate that B.C. is attracting less than 1% of Alberta total skier market for cross country. This figure may be slightly higher if one considers that some skiers are skiing in B.C. at areas without trail fees.

Reasons why so few Albertans travel to B.C. for cross country skiing might relate to various aspects including:

- Alberta skiers not being aware of B.C. product.
- Alberta skiers are used to skiing for free on public sector provided trails, therefore may not be inclined to take a "cross country ski vacation" or go to an area that charges a trail fee.

Indeed, Alberta's 1987 Winter Activities Guide identifies only eleven "commercially operated" nordic ski facilities and a total of approximately 58 areas providing cross country skiing.

The majority of these areas (80%) represent trails/facilities provided by various government agencies, including Alberta Forest Service (10 areas), Alberta Recreation and Parks (10 areas), Parks Canada (3 areas), 8 municipalities and approximately 25 non-profit local ski clubs.

Although Alberta identifies 14 guest ranches comparable to those in B.C., they have not been developed or promoted for cross country skiing as aggressively as British Columbia. In part, this is attributable to the size of operation (mostly very small), in part to inaccessibility of visitor markets, and (in some cases) to limitations imposed by unreliable snow conditions.

Major alpine ski areas found in Banff (Sunshine, Lake Louise) and Jasper (Marmot Basin) National Parks generally make use of trail systems provided and maintained by Parks Canada. Other Alberta alpine areas do not actively promote a cross country ski element and provide at most only token development (Silver Summit, Canyon).

In providing an overview assessment of Alberta's cross country ski product, four areas were selected. These are located on Map 5.1.

The areas were selected because they give a representative perspective of the cross country product available in Alberta (i.e. largely public sector oriented).

The assessment provided on Table 5.2 is in some ways not a fair evaluation to compare with B.C. because out of a sample of four -

- two areas (Kananaskis Country and Canmore Nordic) are solely government built and operated and do not qualify as a commercial operation, and
- one area (Lake Louise) relies on a government agency (Parks Canada) for all its trail and tracksetting.

The final area, Terratima Cross Country Ski Hostel, is perhaps the best example in Alberta of a commercial cross country ski operation. The area has been offering cross country skiing since the mid-seventies. Its primary limitations had always been lodging, however, plans are underway to expand the facility into a four-season destination resort.

DESTINATION AREA COMPARISONS

PRODUCT ANALYSIS BY COMPETING MARKETS - ALBERTA

Area / Category	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
ALBERTA															
KANANASKIS COUNTRY	9.0	10	9.0	9.0	8.0	9.0	5.0	7.0	4.0	8.0	0	5.0	7.0	8.0	
CANMORE NORDIC	8.0	8.0	5.0	8.0	5.0	9.0	5.0	4.0	4.0	0	8.0	5.0	5.0	8.0	
CHATEAU LAKE LOUISE	7.0	10	10	8.0	7.0	6.0	8.0	9.0	9.0	10	8.0	8.0	8.0	8.0	
TERRATIMA	7.0	8.0	8.0	9.0	8.0	6.0	5.0	5.0	5.0	5.0	1.0	5.0	5.0	7.0	
AVERAGE RATINGS	7.75	9.0	8.0	8.75	7.25	7.5	5.75	6.25	5.5	5.75	4.25	5.75	6.25	7.75	6.8

Rating Systems: 1-4 Below Average
5-8 Average
9-10 Above Average

Table 5.2

Kananaskis Country and Canmore Nordic Centre have been included in this assessment because potentially they pose the greatest competition for B.C.'s operators in spite of their limitations or shortcomings.

- Kananaskis Country: an area 100 kms. west of Calgary covering 4,000 square kilometers. K-Country has been developed and operated as a public outdoor recreation area by the Province of Alberta, and it has over 40 kms. of professionally planned, constructed, and groomed trails (using snowcats with power tillers.)

  - Limitations: remains primarily a day-use site offering little in the way of skier services, facilities, programs, or lack of on-site accommodations (despite recent Olympic additions near Mt. Allen and Nakiska).

- Canmore Nordic Centre: located just outside Banff National Park above the town of Canmore, offers the most advanced ski facilities in Canada. Canmore is aimed primarily at the competitive skier.

  - Limitations: has distinct terrain limitations and no on-site accommodations: and the trail system is generally regarded as the most demanding in the world. The latter automatically lessens appeal to the recreational ski market. (In Canada and the U.S., less than 5% of all cross country skiers race in any given year (Cross Country Canada, NSGA, 1986).)
    In addition, Canmore suffers from unreliable snow conditions and chinooks, which would direct skiers to more reliable sites.

In comparing the cumulative score values for Alberta's nordic ski product, based on evaluating the four representative sites, Alberta's product rates only marginally above cumulative scores found for B.C. (i.e. 6.8 vs 6.3). This in spite of very strong government provision of non-commercial facilities.

If B.C. operators are going to compete with these areas, they will have to capitalize on Alberta's weaknesses in providing programs and services while improving their own provision of trails and track to match that provided in Alberta.

Overall, B.C. operators would have to increase their product value above that of Alberta areas and market to the Alberta skier on the basis of providing a better experience and value for dollars spent.

Map 5.1

LEGEND:

ECONOMIC DEVELOPMENT REGIONS (2)

1. VANCOUVER ISLAND/COAST
2. LOWER MAINLAND/SOUTHWEST
3. OKANAGAN
4. KOOTENAY
5. CARIBOO
6. NORTH COAST
7. NECHAKO
8. PEACE RIVER

COMPETING AREAS ANALYZED

MAJOR CITIES

SKI AREAS (3)

1. TERRATIMA
2. LAKE LOUISE
3. CANMORE
4. KANANASKIS
5. ISAAC WALTON
6. LONE MOUNTAIN
7. BUSTERBACK
8. WOOD RIVER
9. ANTHONY LAKES
10. MT. BACHELOR
11. WHITE PASS
12. BEAR MTN.
13. SUN MTN.
14. SALMON RIDGE
15. ROYAL GORGE

B.C. AREAS ANALYZED

COMPETING NORDIC AREA ANALYSIS

MAP 3

NordicGroupInternational

ECONOMIC & REGIONAL DEVELOPMENT AGREEMENT

Canada

BC

With Alberta's cross country market estimated at 320,000 skiers (PMB, 1984/85), together with numerous active ski clubs across the Province, there is great opportunity for B.C. operators to attract Alberta's existing skiers, not to speak of potential skiers.

5.2.2 U.S.

Other B.C. Tourism research and ski market assessments have confirmed that B.C.'s principle area of competition in the U.S. is the Pacific Northwest, including those states of: Washington, Oregon, Idaho and Montana. In addition, although somewhat distant, California is seen as a major potential market area.

The four states of Washington, Oregon, Idaho and Montana account for approximately 37 commercial cross country ski areas as identified in the **1987 DESTINATIONS** guide produced by Cross Country Skier Magazine. This figure does not include non-profit or public sector ski areas.

Using the Evaluation Matrix developed earlier, an assessment of competing U.S. ski areas was completed by selecting a representative sample from each state (4 of 13 from Washington, 2 of 9 from Idaho, 2 of 9 from Montana, and 2 of 6 from Oregon) based on those areas responding to the Cross Country Ski Areas of America Annual Ski Area Operators Survey. The results of this evaluation are presented on Table 5.3, while Map 5.1 identifies the location and distribution of those areas assessed.

The following provides a brief overview of the findings.

- **Washington:** This state has 13 commercial cross country ski areas identified in the 1987 DESTINATIONS guide. By far the major skier market is centred on Seattle, where in excess of 80,000 nordic skiers are estimated to live (NSGA, 1986). Surprisingly, this figure is lower than Vancouver's (B.C.) ski market, perhaps due to limited accessibility or product distribution in the state. Two "near urban" day use areas (close to Seattle) claim between 13,000 and 20,000 skier visits, although they have fewer than 15 km of track. The one area, SKI ACRES, produces over 4000 ski lessons from 20,000 skier visits.

Although these areas do not meet the definition of a commercial cross country ski area in this study, they are discussed because they support earlier statements regarding the trend to increased ski lessons. In addition, they reflect the importance of having quality "near urban" ski areas to introduce cross country skiing which may encourage skiers to travel to destination sites as they become more proficient.

The most recent U.S. skier survey (Cross Country Skier, 1988) indicates that only 10% use metropolitan-located ski centres (on a regular basis), compared to 90% that travel to non-metro locations.

An overall assessment of the state's ski area product (Table 5.3), indicates a score of lower value (i.e. 6.0) to that of B.C.'s areas (i.e. 6.2). Reference should be made to Table 5.4 which identifies the areas assessed.

In terms of product, Washington is not competitive. However, if B.C. areas are going to capitalize on this, they will have to develop product that is of better qulaity and perceived to be of higher value than that provided in Washington, in order to attract skiers and encourage them to travel the "extra" distance.

Criteria in which Washington operations are particularly weak include:

- **Access** — Most areas are three hours or more drive from Seattle, the major market area.
- **Accommodation** — Most areas assessed provided little in the way of on-site accommodation. Most were day use oriented, even Bear Mountain Resort, which is a 3 - 4 hour drive from major markets.
- **Programs** — Most areas offer only a limited variety of on-site skier programs.

On the other hand, areas in which Washington ski operations were superior included:

- **Tracks/Trail Grooming** — Typical of most U.S. areas, even the smallest of the Washington areas examined used a snowcat of some form for grooming and tracksetting as well as undertaking regular trail maintenance.

• **Operations**	Areas reflect a high level of operational proficiency and professionalism in managing and marketing their areas. Results of this indicate that all areas had increased skier visits ranging from 17% to 150 % between 1985/86 and 1986/87 seasons. All areas were also involved in some form of trail upgrading (to wider trails) or increasing on-site opportunities and services.

- **Oregon**: This state accounts for relatively few commercial cross country ski areas (6), but has a fairly large skier market base of over 180,000 skiers (NSGA, 1986), centred in Portland.

  The state is recognized for Mt. Bachelor, near Bend (OR), one of the most popular ski areas on the west coast which also attracts over 24,000 cross country skier visits (CCSAA, 1987).

  Overall, Oregon's cross country ski product was assessed at a score value of 7.0 putting it at a higher product value than B.C.'s areas.

  Strengths with the commercial product in Oregon lay with:

• **Length of Season**	Known to be above average in length (150 days+) with dependable snow conditions.
• **Tracks/Trail Grooming**	Similar to Washington.
• **Trails**	Expanding and adding diversity.

  Areas of weakness include:

• **Access**	
• **On-site Accommodation**	Particularly for Mt. Bachelor, which is not permitted to have any on-site lodging. The town of Bend, OR, is also 30 miles away and only offers a limited variety of accommodation. Mt. Bachelor is solely a day use area.
• **Off-site Accommodation**	

- **Montana**: has almost no internal skier market (less than 30,000) (NSGA, 1986), yet the state has at least nine commercial cross country ski centres.

  These areas rely a great deal on destination skier visits, mostly from adjacent or nearby states (Washington, Colorado) and the province of Alberta.

However, one area in particular, Lone Mountain Ranch, attracts skier visits from across North America. In addition, this widely promoted and well recognized resort has one of the highest repeat visit rates (over 75%) of any area in the U.S. due to its exceptional quality of service and facilities (CCSAA, 1987).

The two areas assessed produce a score value of 7.1, again, higher than that of B.C.

Weakness in the delivery of product relate to such things as:

- **Accommodations** both areas offer quality accommodation, but each is limited in size (60-70 people) and there is no variety or mix.
- **Other Tourism Attractions** in the winter, apart from Alpine skiing at nearby ski areas like Big Sky or Whitefish, there is little else in terms of attractions. Both areas market a strong cross country ski image and that is the primary reason in attracting destination visits.

- Idaho: This state accounts for nine cross country ski operations and has a skier market of approximately 110,000 skiers (NSGA, 1986).

  The state is internationally renown for Sun Valley, one of the most popular ski areas in the U.S.

  The sample areas selected to evaluate the cross country ski product are close to Sun Valley and attract part of their skier visits from there.

  The cumulative value for Idaho's product is 7.0.

  Strengths in the delivery of product lie with:

  - **Tracks/Trail Grooming** of superior and consistent quality using snowcats and power tillers.

- **Operations** — are very high quality with careful attention to detail. Areas are profit oriented and records show profits are made on the operations (CCSAA, 1987).
- **Programs** — perhaps because of the Sun Valley influence, the cross country areas are able to offer a wide range of skier programs and opportunities (i.e. ski touring, sleigh rides, night tours, etc.).

The major limitations with the ski product relate to:

- **Accommodations** — both on and off-site, which at the areas assessed, are generally limited in terms of size and capacity (i.e. too small) and mix (no diversity - dormatories, chalets, hotels).

5.2.3 Summary - Pacific Northwest (PNW)

While there are not a great number of commercial cross country ski areas in the U.S. Pacific Northwest, with very few exceptions they are growing in physical size, facility diversity, and operational efficiency. These facts are reflected in the skier visit growth pattern (increasing on average by 30 - 49% each year) and continued profitability of areas as diverse as Mt. Bachelor, OR (an alpine affiliate) and Lone Mountain Ranch, MT (guest ranch)(CCSAA, 1987).

Continued success at these areas depends heavily on the quality of grooming, expansion of trail system (to allow skating), work on trail surfaces to allow a longer season, staff professionalism, and effective promotion. A number of Northwestern areas invest over 10% of gross cross country revenues in promotion.
In addition, at those areas providing overnight accommodation, the quality of the lodging and associated food service, is above average.

DESTINATION AREA COMPARISONS

PRODUCT ANALYSIS IN COMPETING MARKETS - U.S.A.

Area / Category U.S. MARKETS	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
WASHINGTON (4 areas)	5.5	7.0	9.5	6.5	6.8	9.0	6.3	6.0	3.5	2.0	3.8	7.0	3.0	8.5	6.0
OREGON (2 areas)	5.5	8.5	10	8.0	7.5	9.5	7.0	7.5	6.0	6.5	4.0	5.5	4.5	8.5	7.0
MONTANA (2 areas)	6.5	6.5	10	6.5	8.0	8.5	8.0	8.0	9.0	3.0	5.5	8.0	4.0	8.5	7.1
IDAHO (2 areas)	8.0	7.0	7.0	6.5	8.5	10	7.0	6.5	8.0	3.0	5.0	6.5	5.5	10	7.0

Rating System: 1-4 Below Average
5-8 Average
9-10 Above Average

Table 5.3

Annual surveys indicate that the majority of PNW operators are:

- investing in sophisticated grooming equipment (hydrostatic snowcats and power tillers)
- improving grooming practices (trail maintenance frequency, staff training)
- upgrading trail systems (professional planning and design, earthmoving, grading, and seeding for stabilization, widening for skating).

Another point of interest is that most of the operators within each state have formed cooperating associations to promote cross country skiing on a regional or state-wide basis rather than competing with each other for increased skier visits. (Methow Valley Ski Touring Association, WA; Montana Cross Country Ski Areas Association; Sun Valley Cross Country Ski Association, ID).

Although specific figures attributable to increased skier visits for these associations is difficult to ascertain, all affiliated areas are experiencing growth of 20% to 150% (CCSAA, 1987). On average, growth has increased by 1000 to 1500 skier visits per year and average total annual visits per area is around the 5000 mark (CCSAA, 1987).

A side benefit of the cooperative spirit is greater operational efficiency, based on improved exchange of information. In addition, the Pacific Northwest leads the U.S. in percentage of operations conducting user surveys or market research (CCSAA, 1987).

These aspects reflect a positive understanding amongst ski area operators about who their skier markets are. The on-going improvements and development at PNW areas demonstrate how this market data is translated into ski product in order to sustain increased skier visits.

In summary, PNW ski areas present a more mature and sophisticated level of operations with respect to overall quality of product (track grooming) and attention to skier needs and service requirements.

TABLE 5.4

COMPETING U.S. CROSS COUNTRY SKI AREAS (I986/87)

Area/ Location	Distance from Major Markets	Annual Skier Visits	Km. Track	Km. Groomed For Skating	Km. Lighted	Trail Fee	Rentals	Ski School
CANADA								
Alberta								
Kananskis Country *	<100 km	15,000	40	20	0	$0	No	No
Canmore * Nordic Centre	<100 km	5,000	50	50	2.5	$0	No	No
Terratima XC Hostel	>150 km	1,500	80	5	1	$4.00	No	On Request
Chateau Lake Louise	>150 km	N/A	100**	N/A	0	$0	Yes	Yes
UNITED STATES								
Idaho								
Busterback Ranch, Ketchum	>150 km	4,900	35	22.5	0	$9.00	Yes	Yes
Wood River Nordic, Ketchum	<50 km	6,600	20	20	0	$4.00	Yes	Yes
Montana								
Izaak Walton Inn, Essex	<150 km	N/A	30	15	0	0	Yes	Yes
Lone Mt Ranch, Big Sky	>150 km	10,500	60	60	0	$5.00	Yes	Yes
Oregon								
Anthony Lakes, LaGrande	<100 km	3,500	10	10	0	$4.00	Yes	Yes
Mt Bachelor, Bend	>150 km	24,000	59	59	0	$6.50	Yes	Yes
Washington								
Bear Mt Ranch, Chelan	>150 km	3,000	30	5	0	$6.00	Yes	Yes
Salmon Ridge, Glacier	>100 km	2,200	27	27	0	$4.00	Yes	Yes
Sun Mt Lodge Winthrop	>150 km	5,500	50	40	0	$5.00	Yes	Yes
White Pass, Yakima	>100 km	5,800	15	15	0	$4.00	Yes	Yes

* operated by Provincial Government

** trails groomed & maintained by National Parks

6.0 CONCLUSIONS/RECOMMENDATIONS

6.1 CONCLUSIONS

Using the various evaluation techniques and other research data applied to this study, some very clear observations can be made regarding the current supply of commercial cross country ski area product in B.C.

1. As evidenced in B.C.'s alpine ski sector in the early 1980's from a study by Gow (1987), it appears that B.C.'s commercial cross country sector has the capacity for increased skier visits, but there are too few consumers wishing to use it (i.e. only 109,000 commercial ski visits recorded out of a potential estimated market of over 4 million skier visits in the province alone).

   It is assumed that the majority of cross country skiers in B.C. are therefore skiing "free" on public lands or other non-commercial sites, compared to their U.S. counterparts where the majority (79%) prefer skiing at commercial operations.

2. Contributing to the reason for so few commercial skiers may be the fact that the quality of B.C.'s commercial cross country ski experience varies widely from:

   - operations targeting the cross country skier market as a principle source of revenue and therefore are sensitive to market needs and wants, to the provision of cross country ski facilities and services at dominantly alpine ski locations, as a means of keeping the non-downhill skier in the downhill ski party reasonably happy or possibly attracting cross over potential,
   - to the availability of somewhat primitive trails and minimum cross country infrastructure as provided by some operators wishing only to extend their more lucrative non-winter market.

3. B.C.'s commercial cross country ski product relates strongly to other tourism industry operations and hence could readily be classified according to affiliation:
   - Alpine
   - Guest Ranch
   - Other

   This is seen as a potential benefit for continuity in marketing for these affiliations.

4. Commercial cross country ski operations in alpine areas credited revenue from trail fees as their single most important source of revenue, compared with revenue from lodgings which dominated the guest ranch operator sector. In both instances, food and beverage revenues were accorded as the second most important revenue source, at 23.4% and 33% respectively. Conversely, trail fees accounted for less than 1% of revenues from guest ranch operators surveyed. These results clearly show the distinctive difference in business motivation behind the provision of a commercial cross country ski experience between alpine and guest ranch locations. Similarly, alpine locations, which depend on the financial success of their winter activities for their economic well being, were more inclined to actively market a wider range of profitable cross country ski services than their guest ranch or "other" counterparts. Accordingly, revenues from cross country ski rentals, retailing and lessons, were of greater significance for alpine operators than all others.

5. Evaluations of B.C.'s product, on a scale of 1 to 10, indicated that overall cross country product offered by the alpine affiliates ranked higher than that provided by "Other" areas and guest ranches (6.6 - 6.4 - 5.7, respectively).

   Although alpine affiliated cross country ski centres did not provide the most kilometres of trails, they did exhibit greater attention to support services and facilities, demonstrated a higher quality of grooming and trail maintenance and were more professional in their overall scale of operations (i.e. better reporting, accounting, awareness of client needs).

6. Evalutations of B.C. product, on a scale of 1 to 10 by ECONOMIC DEVELOPMENT ZONE, indicate that Zone 1 and Zone 3 offer the highest value (7.1 and 6.5, respectively).

   This concurs with the B.C. Nordic Skier Survey that indicated the Zone 1 and Zone 3 are among the most popular for cross country skiing.

   It should be noted that Zone 2 was also indicated as being popular with B.C.'s nordic skiers, however, the majority of ski areas within this zone are day use oriented or provide only limited overnight accommodation, thereby contributing to a lower product value than Zones 1 and 3 (i.e. 5.8).

7. Table 6.1 provides a cumulative overview of how B.C.'s commercial product by Zone compares in product value to its major competing markets in the U.S. Pacific Northwest and Alberta. Overall, B.C.'s commercial product ranked by Zone, on a scale of 1 to 10, represents a value of 6.4. Surprisingly, this is marginally higher than B.C.'s primary market competition of the state of Washington (6.0) but slightly lower than Alberta's product, rated at 6.8. Other U.S. markets (Idaho, Oregon and Montana) all scored higher values for product assessment (7.0 to 7.1).

8. Over the near term, it is unlikely that Alberta will present a major threat in terms of keeping Albertans in province, drawing B.C. residents or attracting U.S. markets who might otherwise visit B.C., largely on the basis that the commercial ski product in Alberta is not as developed or promoted as aggressively as in British Columbia. In addition, commercial cross country ski operations are not recognized as a significant tourism product, reflected primarily by the predominance of public sector provided day use areas.

9. By contrast, it can be expected that U.S. based commercial cross country ski operations, in British Columbia's competitive marketplace are becoming more formidable, more numerous, and more sophisticated in operational expertise and efficiency. When product value in competing areas is percieved to be greater than provided in B.C., it becomes harder to attract destination skiers.

10. In terms of potential skier market growth, if competing U.S. areas are showing 17% to 50% increases in annual skier visits, it is speculated that if B.C. operators improve their product and present a more cohesive "image" of activity, they could easily realize a 20% to 25% growth over the next year.

    In gross numbers, this translates into approximately 20,000 to 25,000 skier visits. This figure would simply restore the skier market to what it was at its peak in 1984/85 when 132,000 commercial skier visits were recorded (B.C. Economic Development, 1987). Initially, the majority of these skiers (60%) would likely come from the Vancouver and Lower Mainland areas followed by other areas in B.C. (40%). A small percentage (1% to 3%) could be expected from the Alberta and Pacific Northwest regions. In future, as product and marketing improves, there is potential to obtain increased skier visits from the Pacific Northwest, particularly from Oregon, which has an active cross country ski market.

COMPARISON OF COMPETING AREAS

Area \ Category	Access	Aesthetics	Length of Season	Trails/# of km	Ski Terrain	Tracks	Ski Facilities	Services	Programs	Accommodation on-site	Accommodation off-site	Other winter recreation activities	Other tourism attractions	Operations	Overall
TOTAL B.C. AREAS COMBINED AVERAGE (21)	6.2	7.3	7.1	6.3	6.7	5.9	6.3	6.1	5.8	6.4	5.2	5.4	5.5	6.2	6.2
ALBERTA (4 areas)	7.75	9.0	8.0	8.75	7.25	7.5	5.75	6.25	5.5	5.75	4.25	5.75	6.25	7.75	5.8
WASHINGTON (4 areas)	5.5	7.0	9.5	6.5	6.3	9.0	6.3	6.0	3.5	2.0	3.8	7.0	3.0	8.5	6.0
OREGON (2 areas)	5.5	8.5	10.0	8.0	7.5	9.5	7.0	7.5	6.0	6.5	4.0	5.5	4.5	8.5	7.0
MONTANA (2 areas)	6.5	6.5	10.0	6.5	8.0	8.5	8.0	8.0	9.0	3.0	5.5	8.0	4.0	8.5	7.1
IDAHO (2 areas)	8.0	7.0	7.0	6.5	8.5	10.0	7.0	6.5	8.0	3.0	5.0	6.5	5.5	10.0	7.0

Rating Systems 1-4 Below Average
5-8 Average
9-10 Above Average

Table 6.1

With respect to current total cross country skier markets in B.C. (325,000), Alberta (380,000), and the Pacific Northwest (380,000), a conservative growth of 5% in one year would account for an additional 54,000 skier visits, or a projected commercial total of 164,000 skier visits. These skiers would likely originate from B.C., Alberta, Oregon and Washington.

6.2 RECOMMENDATIONS

Results of this analysis of B.C.'s Cross Country Ski Areas provides specific recommendations which help define strategies and opportunities for increasing overall commercial skier visits within the province.

Recommendations are discussed below according to major areas of concern affecting the industry.

6.2.1 Development

a. If B.C. operators are going to compete successfully for an increased share of the skier market, they will have to increase the range and quality of existing product. Although four individual areas (out of 21 surveyed), including three Alpine affiliated and one Guest Ranch, had individual scores, on average, higher than competing areas in the U.S. or Alberta, the industry overall needs development in terms of:

- increased skier support facilities (i.e. shelters, huts, warm-up facilities, day lodge and staging facilities),
- increased amenities and services (i.e. hot tubs and child care),
- increased food and beverage service, and
- increased mix of lodging, both on-site and off-site.

b. There would seem to be more potential for profitable opportunities at alpine ski locations, already offering a commercial cross country ski experience, where the winter marketplace is the single most important source of year round revenue, and therefore demands their full business attention.

Guest Ranches and "Other" areas, on the whole, need to re-evaluate their commitment to the industry. Those (and there are a few individiual sites) who show commitment and continue to upgrade and develop a quality product, can become more "profit oriented" in the provision of cross country skiing.

c. Zones 1 and 3 appear to have the greatest immediate potential for increased product development and market acceptance based on the overall higher level of product currently in place.

d. At present, commercial operators appear to be wavering between "should they be in business or not?" and "should they charge a trail fee or not?".

There is a clear opportunity that if product is improved and marketed accordingly, not only would areas be justified in charging trail fees, skiers themselves would be willing to pay. B.C.'s Cross Country Skier Survey indicates paying a trail fee was of concern for only 3% of respondents. A majority of the U.S. market not only pay for cross country but prefer to ski at commercial areas.

6.2.2 Operations

a. Operations should strive to improve their overall approach to trail grooming and maintenance and look at obtaining better equipment, able to do the job more efficiently and on a daily basis, if required.

b. Operators should be encouraged to increasingly adopt a more business-like approach to the maintenance of a full range of marketing and statistical records, preferably in accordance with a uniform "system" format for ease of comparison between operators and industry standards. This would principally serve as a practical management decision making tool, greatly assisting the industry in planning its future.

c. Full operations' surveys should continue to be conducted at least annually, for reasons similar to those given in the previous recommendation.

6.2.3 Research

a On-going ski area research: annual surveys of both operations (perhaps tied into the annual Cross Country Ski Areas of the Americas Operations Survey) and of users on-site (as undertaken by U.S. counterparts).

b. Operators in both the Alpine and Guest Ranch segments should be encouraged to identify profitable commercial cross country market opportunities. Detailed research into the realistic ability of such opportunities to economically support the capital investment would be required. In this way, both investor and lender confidence in B.C.'s commercial cross country ski product and its profit potential will be enhanced through investment in well researched, selective opportunities.

c. Further research into the adoption of a commercial cross country ski classification system would permit the province to more adequately determine the extent to which assistance with each affiliation might be offered and would clearly indicate the existing, and would-be, operators' requirements for "meeting the grade" for inclusion as a nordic operator.

6.2.4 Marketing Strategies

a. Before B.C. areas can effectively market their product, attempts should be made to more clearly define the "image" of the product offered.
While the provision of some kind of cross country ski experience might be considered a market opportunity by extending seasons for some operators (i.e. Guest Ranches), it is not necessarily in the best interests of the British Columbia's provincial commercial cross country ski product that this be actively promoted, until such time as such experiences reflect a marked improvement in the consistency, quality and range of cross country ski services provided.

b. With a majority of commercial cross country skiers travelling more than 150 kilometres to enjoy their sport, there is an apparent need for operators in general, to become more weekend and destination oriented.

c. The number one priority, based on accessibility and market size, should be to attract increased skier visits from B.C.'s primary market area - Vancouver and Lower Mainland, by:

- increasing promotion and media awareness about the sport and facilities available,
- selling the "experience" rather than the trails - although the quality of the trails and grooming are integral to having a good experience, and
- increasing facilities, services and selected areas to ski, based on "convenience".

By satisfying these requirements, increased visitation can be expected (i.e. look at packaging more travel and accommodation outings).

d. Discussions with some operators indicate that they prefer U.S. visitors over B.C. skiers because of their greater willingness to pay for trails and services. Attempts should be made to "educate" B.C. skiers about the value they are getting at a commercial ski area, while at the same time, public operated facilities should not try to compete in terms of quality and level of service (except in areas where no commercial potential currently exists).

e. Similar to findings in the Alpine Ski Study (Gow, 1987), the Greater Seattle area and Eastern Washington should be considered as a prime market for cross country ski related tourism. Existing supply of facilities in Washington is currently of lower perceived value than in B.C. and there are few "destination oriented" ski areas. For instance, promoting the opening of the Coquihalla and the ease of access into B.C.'s interior that it provides, could increase U.S. destination travel to Zone 3.

f. There appears to be a need in British Columbia for a more positive relationship, to be cultivated, between the cross country ski industry and the media, in order that, increasingly, the sport be portrayed in a more desirable light. This could help attract increased participation from the non-skier market.

More contact should be made with various media representatives, particularly the "Press". Articles that promote "quality experiences" and "fun opportunities" are key to developing a positive image about the sport.

g. B.C. areas need greater involvement with the travel industry, through such means as the Tour wholesalers, in developing and promoting ski packages, especially in destination markets (i.e. more travel trade shows, etc.).

h. There is an opportunity through the Nordic Division of Canada West Ski Area Association for B.C.'s areas to work more cooperatively in promoting cross country skiing (similar to the U.S. associations in competing markets).

In order to function more effectively, this organization should develop a marketing strategy that reflects the actual product being offered, and if it varies, provide an appropriate classification for it so as not to confuse the skier market.

i. Closer relations should be fostered between more urban areas offering the nordic experience and their weekend, destination counterparts, so that the synergy potential might be profitably exploited. In addition, such cooperation would, undoubtedly, lead to ideas' exchanges to the mutual benefit of the marketplace, the province and operators.

j. Similarly, closer relations should be encouraged between B.C.'s provincial nordic industry and those of its competitive environment, for reasons similar to those outlined above (i.e. membership in Cross Country Ski Areas of America).

k. Consideration should be given to the adoption by the CWSAA of a clear definition of what constitutes "cross country" or "nordic" skiing. Using this definition as a base, operators purporting to offer a cross country ski experience could be classified accordingly, in order that the somewhat casual use of either term be brought under control, and British Columbia's ranging nordic product will ithen more adequately meet the changing needs of this increasingly sophisticated market.

l. In order to increase skier awareness of B.C.'s commercial product, attempts should be made at using other marketing techniques in non-resident visitor markets, such as TV ads showing B.C. cross country ski products to be played in Alberta and Washington.

BIBLIOGRAPHY

ALBERTA RECREATION AND PARKS (1983)

Alberta Recreation and Parks, A Profile of Cross Country Skiing in Alberta. Prepared by Bart Deeg, Alberta Recreation and Parks, Edmonton, August 1983.

B.C. MINISTRY OF ECONOMIC DEVELOPMENT (1986/87)

B.C. Ministry of Economic Development, B.C. Annual Ski Area Operating Survey, Victoria, 1987.

B.C. MINISTRY OF ECONOMIC DEVELOPMENT (1987)

B.C. Ministry of Economic Development/ Canada West Ski Areas Association, British Columbia Nordic Skier Survey 1985-86, Victoria, 1987.

B.C. MINISTRY OF TOURISM (1987)

B.C. Ministry of Tourism, Recreation, & Culture, British Columbia Mtn. Resorts Investment Opportunities, Victoria, 1987.

B.C. Ministry of Tourism, Recreation, & Culture, Guest Ranches of British Columbia: Product & Market Analysis, Maclaren Plansearch, et al., Victoria, 1987.

B.C. Ministry of Tourism, Recreation, & Culture, Ski Market Study, Gow & Associates, Victoria, 1987.

B.C. MINISTRY OF TOURISM (1988)

B.C. Ministry of Tourism, British Columbia's Mountain Resorts - 1986/87 Ski Season Review. Office of Ski Development Co-ordination, Victoria, 1988.

CCSAA (1987 and 1988)

CCSAA, Cross Country Ski Area Operators Survey: Winter 1984/85, prepared by J. Wiesel, et al., for Cross Country Ski Areas of America/ Ski Industries America, Hinsdale, NH, 1986.

CCSAA, Cross Country Ski Area Operators Survey: Winter 1985/86, prepared by J. Wiesel, et al., for Cross Country Ski Areas of America/ Ski Industries America, Hinsdale, NH, 1987.

CANADA SKI COUNCIL (1979)

Canada Ski Council, Inventory of Alpine and Cross Country Commercial Areas (1977/78), Canadian Ski Council, Humber College, Ottawa, ON, 1979.

CROSS COUNTRY SKIER (1988)

Cross Country Skier, "Cross Country Ski Magazine Reader Survey", Cross Country Ski Magazine, Rodale Press, Emmaus, PA, 1988.

CROSS COUNTRY SKIER (1987)

Cross Country Skier, "1987 Destinations: A Directory of Cross Country Ski Touring Centres", compiled by Editors of Cross Country Skier Magazine, Rodale Press, Emmaus, PA, 1987.

CWSAA (1987)

Canada West Ski Areas Association, British Columbia Ski Industry Three Year Marketing Plan, Lawson, J. et al., Victoria, 1987.

ENZEL (1987)

Enzel, R., The White Book of Ski Areas (12 Edition), Inter-Ski Services, Inc., Washington, 1987.

FRY (1982)

Fry, John, "Changing Cross Country Market", Ski Area Management, Vol. 21, No. 5, November 1982.

GOELDNER (1986)

Goeldner, C.R. and Karen Dicke, Colorado Ski Industry Characteristics and Financial Analysis, Business Research Division, University of Colorado, Boulder, CO, 1986.

KNOPP, T.B. (1981)

Knopp, T.B., Cross Country Skiing In Minnesota, University of Minnesota, U.S. Forestry Agriculture Experiment Station, Bulletin 544, 1981.

NSAA (1985)

NSAA, Cross Country Skiing - Alpine's Competitor or Partner, by Jonathan Wiesel, National Nordic Consultants, a position paper presented at the NSAA Annual Convention, Anaheim, CA, May 1985.

NSIA (1986)

National Ski Industries Association, Where Do the Trails Lead?: A Focus on the Canadian Ski Market, by Peter Williams for National Ski Industries Association and Tourism Canada, Montreal, PQ, 1986.

NSGA (1986) — National Sporting Good Association, Participation Survey, courtesy of SKI INDUSTRIES AMERICA, McLean, VA, 1986.

PARKS CANADA (1986) — Parks Canada, Visitor Activity Profile on Cross Country (Nordic) Skiing, Bart Deeg, et al., Ottawa, ON, 1986.

PMB (1985) — Print Measurement Bureau, "Market Data on Cross Country Skiing", Ski Canada, McLean Hunter Publications, Toronto, ON, 1985.

SAM (1985) — Ski Area Management, "Profiles of Cross Country Skiers Visiting Commercial Centres", E. Echenlberger, Vol. 24, No. 5, September 1985.

STATISTICS CANADA (1979) — Statistics Canada, Participation in Downhill and Cross Country Skiing, Catalogue 4-2221-505, Ottawa, ON, 1979.

STATISTICS CANADA (1981) — Statistics Canada, Recreational Equipment Ownership, Culture Statistics, Service Bulletin, Vol. 4, No. 3, Ottawa, ON, 1981.

TOURISM CANADA (1980) — Tourism Canada, Canadian Ski Industry Evaluation 1979-80, Ottawa, ON, 1980.

TOURISM CANADA (1983) — Tourism Canada, Canadian Travellers Who Participated In Cross Country Skiing, Research and Analysis, Ottawa, ON, 1983.

TRAVEL ALBERTA (1986) — Travel Alberta and Department of Tourism, Government of Canada, 1987 Alberta Winter Activities Guide, Travel Alberta, Edmonton, AB, 1986.

APPENDICES

APPENDIX I — British Columbia Cross Country Ski Area Operations Survey

APPENDIX II — B.C. Cross Country Ski Study: List of Areas Surveyed

APPENDIX III — Cross Country Ski Area Evaluation: Criteria Definition

NordicGroupInternational

BRITISH COLUMBIA CROSS COUNTRY SKI AREAS OPERATIONS SURVEY

Winter 1986/87

AREA IDENTIFICATION

Name of ski operation _____

Mailing address _____ City _____

Province _____ Postal Code _____

Your name/position _____ Business phone _____

I. AREA DESCRIPTION

1. Did you derive most of your XC income from operating as a: (choose one)
   a) Day-use area ____ b) Destination area ____ c) Weekend only____

2. Did your area offer any of the following in 1986/87? (Answer yes or no)
   Track skiing _____ Ski touring i.e. backcountry _____
   Telemark _____ Ski mountaineering _____ Racing trails _____

3. Which winter season did your operation begin nordic ski operations?
   (i.e. 80/81) _____

4. Did your operating season end due to:
   a) Lack of snow ____ b) Lack of clients _____ c) Preset date ____

II. TRAILS & GROOMING

1. In 1986/87, how many kms. a) of total trail did you provide? _____
   b) of machine groomed trails did you provide? _____
   c) were lit for night skiing? _____ d) had snowmaking? _____

2. How many kms. were groomed for skating (either exclusively or with track)? _____

3. a) How many snowmobile conflicts occurred on your trails last season?____
   b) How many All-Terrain-Vehicle conflicts occurred?____

4. What number(s) and make(s) of grooming equipment did you use for XC:

	Number	Make
Snowmobiles		
Snowcats		
Track Setters		
Others		

5. What best describes your grooming methods? (check one only)
   a)All trails daily____ b)Some trails daily ____ c)After each storm ____
   d)All trails for each weekend/holiday____ e)With skier deterioration ____

6. Groomed trail was located on property owned/administered by:

	Yes	No
a) Own land		
b) Other private land		
c) Municipal/County Agencies		

	Yes	No
d) B.C. Forest Service		
e) B.C. Provincial Parks		
f) National Parks		

III. FACILITIES/SERVICES

1. Did you have a nordic ski staging facility? Yes ____ No ____

2. Did your operation own/concession any of the following facilities & services? (✓ for yes) Rental Shop ____ Retail Shop ____
   Lodging ____ Ski School ____ Guide Service ____
   Hot Food & Drinks ____ Alcohol Sales ____ Child Care ____

3. If you offered overnight on-site lodging, what was your capacity? ____

4. Number of paid XC staff (including concessions, management, & working owner) for winter 1986/87? Peak day: Full-time ____ Part-time ____

5. How many XC warming huts (day use only) were on groomed trails? ____

6. Did your operation provide any of the following recreation activities?

	Yes	No
a) Alpine skiing		
b) Ice skating		
c) Sledding/tubing		

	Yes	No
d) Snowmobiling		
e) Dog sledding		
f) Sleigh rides		

	Yes	No
g) Court sports		
h) Sauna/hot tub		

IV. MARKETING & AFFILIATIONS

1. Was your overall operation principally
   a)Winter business ____ b)Year-round business ____

2. Was your area officially affiliated with any of the following?
   a) Alpine skiing ____ e) Utility company ____
   b) Real estate development ____ f) Golf Club
   c) Pre-existing lodge/hotel ____ g) Ski club (non-profit) ____
   d) Guest ranch ____ h) Out of area retailer ____

3. Did you work cooperatively last winter with any nearby but <u>unaffiliated alpine</u> ski area to develop clientele? 3. Yes ____ No ____

4. Where did most of your ski clientele come from (check <u>one</u> only)? Within 0-49 kms ____ 50-99 kms ____ 100-149 kms ____ 150 kms or more ____

5. Was there competition from:
   a) Commercial XC ski area within an hour's drive? a) Yes ____ No ____
   b) Publically groomed trails within an hour's drive? b) Yes ____ No ____

6. Which forms of <u>paid</u> advertising did your XC operation utilize?

	Yes	No
a) Newspaper		
b) Ski Publications		
c) Other magazines		
d) Media kits		

	Yes	No
e) Brochures and maps		
f) Consumer ski shows		
g) Travel/trade shows		

	Yes	No
i) Video		
j) Radio		
k) TV		

h) Other ____

7. Which of the above was your <u>single</u> most effective advertising medium?
   ____

V. VISITATION & RATES

1. Total number of XC skier visits from <u>all sources</u> (including races):

84/85	85/86	86/87
____	____	____

2. What was your average no. of skiers visits per day in 1986/87?
Midweek _____ Weekend/Holiday _____

3. Total number of nordic lessons (persons taught) in 1986/87: _____
No. of persons taught by level: a) Beginner/novice _____
b) Intermediate _____ c) Advanced/expert _____

4. a) Total no. of XC rental units available in 1986/87? _____
b) What percent of rentals used 75 mm. bindings? _____%
c) What % of rentals were no-wax? _____%

5. 1986/87 Rates: Trail use was available to the public on which basis:
i) Free ____ ii) Voluntary Donation ____ iii) Mandatory Fee _____

TRAIL FEES: ADULT		RENTAL FEES	LESSON FEES	
Wkend/Holiday Full Day	Adult Season Pass	Wkend/Holiday Full Day	Group without Day Pass	Private without Day Pass
$	$	$	$	$

6. How many season passes were sold for the 1986/87 season? _____

VI. EXPANSION

1. Are you operating under a 5 year or longer XC expansion plan?
Yes ____ No _____

2. Does your operation have available area for expansion? Yes ____ No _____

3. If yes, did you plan any groomed trail expansion expansion for 1987/88:
Yes_____ Number of new kms. _____ No _____

4. Identify any new grooming equipment you will be acquiring (or have acquired) in 1987/88:

	Number	Make
Snowmobiles		
Snowcats		
Track Setters		
Others		

5. Plans for rental capacity for 1987/88? a)expand ____ b)decrease ____
c)maintain ____

6. Please describe any further XC up-grading or expansion plans for 1987/88:

_____

VII. HC FINANCIAL STATEMENT, Winter 1986/87

1. Was it imperative that your XC operations ultimately ran at a profit?
Yes ____ No _____

2. Did your XC-dependent winter activities run at a profit in any of the following winters ? (answer Yes or No) 85/86 _____ 86/87 _____

3. Was XC gross income for 1986/87 up over the best previous season?
   Yes _____ No _____ a) If so, what percent increase? _____%
   b) Which was the best previous season? _____

4. Was winter 1986/87 before-tax profit up over the best previous season?
   Yes _____ No _____

5. What percent of gross XC receipts did you allocate to total promotion efforts in the 1986/87 season? _____%; anticipated expenditure for 1987/88? _____%

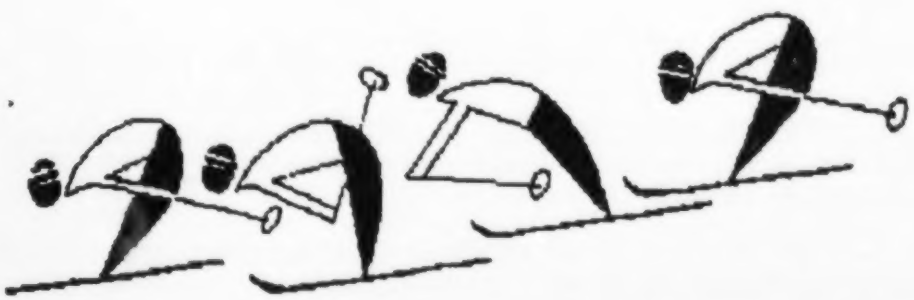
6. What were your total off-season trail maintenance costs preparing for winter 1986/87 (excluding new trail construction)? $_____

7. What was your cumulative total investment in XC grooming equipment (as of Christmas 86) $ _____

8. Please indicate with dollar-figures the following income and expense allocations from XC operations: (to nearest $100, or NA where Not Applicable)

Revenues		**Expenses**	
Trail Revenue	$_____	Labour (including taxes, benefits)	_____
XC Rental	_____	Supplies, Maintenance, Admin.*	_____
XC Retail	_____	Marketing*	_____
Food/Beverage	_____	Utilities	_____
Alcohol	_____	Grooming & Trail Maintenance*	_____
Lessons/Guiding	_____	Land Use Fees	_____
Lodging	_____	Cost of Goods Sold	_____
Races	_____	Interest	_____
Sale of used rentals	_____	Depreciation & Amortization	_____
Miscellaneous	_____	Insurance	_____
		Taxes (except income)	_____
TOTAL GROSS REVENUE	$_____	Miscellaneous	_____
		TOTAL EXPENSES	$_____

* Administration, Marketing, Grooming and Trail maintenance should not include labor costs



APPENDIX II

B.C. CROSS COUNTRY SKI STUDY

List of Areas Surveyed
(By Area Classification)

Alpine Affiliated

Apex Alpine	*
Big White Ski Resort	*
Blackcomb Skiing Enterprises	
Cypress Bowl Recreations Ltd.	*
Fernie Snow Valley (1)	
Hemlock Valley Resorts	*
Mt. Washington Ski Resort	*
Panorama Resort	*
Manning Park Resort	*
Silver Star Resort	*

Guest Ranch Affiliated

The Hills Health and Guest Ranch	*
Dry Valley Ranch	
Eagan Lake Ranch	
Mountain Meadow Guest Ranch	
Sundance Guest Ranch	
Mountainview Trail Riding	
A & P Ranch	
Charly's Guest Ranch	
Taliesin Guest House	*
Postill Lake Lodge	*
Top of the World	*
Lemon Creek	*
Nature Hills	*

Other (including Fishing Lodges, Municipalities, Hotels/Motels)

Beaverfoot Lodge	*
Walloper Lake Fishing Resort	*
Green Lake Lodge	
Lac Le Jeune Resort	*
Falenhof Equestrian Academy	
Tyax Mountain Lake Resort	*
Whitewater Inn	*
Quesnel Lake Resort	
Red Coach Inn	*
Chilko Lake Lodge	
Whistler Resort Municipality	*

(1) insufficient data returned

* areas responding to survey - total respondents = 21

APPENDIX III

Cross Country Ski Area Evaluation
Criteria Definition

Category	Definition
Access	Refers to ease of access a skier has in traveling to a destination ski site and includes such matters as signage, condition of roads, distance off major roads, and safety (i.e. in terms of snow removal, etc.)
Aesthetics	Relates to the overall combination of natural and manmade features the cross country ski site offers, and the "balance" between them.
Length of Season	Determines if an area can attract key holiday markets (i.e. Christmas) and can assure pre- season bookings in those periods.
Kms. of Track	Relates to overall scale of area, skier draw and absorption capacity.
Ski Terrain	Relates to the overall mix of terrain over which the trails are laid out (i.e., is it all flat, open or too steep; is it more oriented to racers or recreational skiers; is there a separate and adequate ski school area?).
Tracks/Trails	Refers to the qualities of trail design and construction for specific cross country uses. Includes surface and slopes; drainage measures; snow retention ability; bridging. Snowmaking in appropriate regions.
Ski Facilities	Relates to the mix of buildings and physical facilities provided for the skiers' use including: base lodge; waxing facilities: warm-up shelters; backcountry shelters; parking, etc.
Services	Relates to the range and quality of services a ski area provides for the destination skier including rentals, retail, repair shop, ski patrol, day-care, food.
Programs	Relates to the variety and quality of different skier programs an area offers (women, youth, guiding, instruction, race-training, events, etc.)

Accommodations:

On-Site	Refers to the type, variety, and number of beds provided directly on-site at the ski area.
Off-site	Refers to the distance from the ski area and the variety and type of supplementary accommodations available for the destination skier.
Other Winter Activities	Relates to the variety and quality of complementary recreational activities offered to the destination visitor should he/she not wish to cross country ski (snowshoeing, ice fishing, snowmobiling, sleigh rides, dog sledding, alpine skiing....)
Area Attractions	Relates to the variety and quality of other "tourist" attractions the destination skier can participate in should they choose not to ski (museums, historical sights, craft shops, cultural events, etc.)
Operations	Relates to the overall manner in which the ski area is managed and the "impressions" the destination skier obtains (i.e., is there an appearance of professionalism and coordination between all ski area elements?)